

AMENDED IN ASSEMBLY AUGUST 27, 2015

AMENDED IN ASSEMBLY JULY 8, 2015

AMENDED IN ASSEMBLY JUNE 24, 2015

AMENDED IN SENATE APRIL 9, 2015

**SENATE BILL**

**No. 697**

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**Introduced by Senator Hertzberg**

February 27, 2015

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An act to amend Sections 280.5, 281, 309.7, 311.4, 321.6, ~~348~~, 364, 379.7, ~~381.2~~, 421, 740.3, 747, 765, 785, 846, 873, 958.5, 960, 2851, 2881, 2891, 5387, 5920, 5960, 7661, 7712, 7912, and 8283 of, *to amend the headings of Article 5 (commencing with Section 581) of Chapter 3 of, and Article 11 (commencing with Section 910) of Chapter 4 of, Part 1 of Division 1 of*, to amend and renumber Sections 321.7, ~~322~~, 326, 326.5, ~~384.2~~, 399.19, 432.5, 747.6, 748, 765.6, 911, 915, 5006, 5012, 7711, and 8367 of, to amend, renumber, and add Section 910 of, to add Sections ~~910.4, 910.7, 590, 910.1, 910.3, 910.6, 911.1, 912, 912.2, 913, 913.2, 913.5, 913.8, 913.12, 913.13, 913.14, 913.15, 914, 914.1, 914.2, 914.3, 914.4, 914.5, 914.6, 914.7, 916, 916.1, 916.4, 919, 919.1, and 919.2, and 920, to, and to repeal Section 5385.5 of, the Public Utilities Code, relating to public utilities.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 697, as amended, Hertzberg. Public Utilities—~~Commission: Commission Accountability Act of 2015:~~ reports: audits: *electrical restructuring:* charter-party carriers of passengers.

The California Constitution establishes the Public Utilities Commission and authorizes the commission to exercise ratemaking and rulemaking authority over all public utilities, as defined, subject to

control by the Legislature. Existing law requires the commission to report various information to the Legislature.

This bill would *adopt the Public Utilities Commission Accountability Act of 2015. The bill would* recast certain of the commission's reporting requirements to an article within the Public Utilities Act pertaining to reports by the commission to the Legislature and make other conforming changes. The bill would require the commission to report specified information on a quarterly basis relative to implementation of the California Renewables Portfolio Standard—~~Program~~. *Program and community choice aggregation.*

*Existing law relative to restructuring of the electrical industry authorizes an electrical corporation to apply to the commission for a determination that certain transition costs, as defined, may be recovered through fixed transition amounts, which would constitute transition property, as defined, and provides, until December 31, 2015, for the issuance of financing orders and provides for the issuance of rate reduction bonds to be paid out of rates.*

*This bill would extend the authorization for the issuance of financing orders from December 31, 2015, to December 31, 2016.*

The Passenger Charter-party Carriers' Act places charter-party carriers of passengers, as defined, under the jurisdiction of the Public Utilities Commission. Under existing law, no charter party carrier of passengers may operate a motor vehicle on a public highway unless there is displayed on the vehicle a distinctive identifying symbol, in the form prescribed by the commission, showing the classification to which the carrier belongs. For motor vehicles designed to carry not more than 8 passengers, the commission is required to issue a suitable decal with an identifying symbol and of a specified size for that purpose.

This bill would repeal that provision requiring the issuance of the decal.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1     SECTION 1. This act shall be known, and may be cited, as the
- 2     Public Utilities Commission Accountability Act of 2015.
- 3     ~~SECTION 1.~~
- 4     SEC. 2. Section 280.5 of the Public Utilities Code is amended
- 5     to read:

1     280.5. (a) Of the revenues from fees collected pursuant to  
2 Section 14666.8 of the Government Code after the operative date  
3 of this section, except for revenues from fees from a lease  
4 agreement for access to Department of Transportation property or  
5 a lease agreement existing prior to the operative date of the section,  
6 15 percent shall be available, upon appropriation by the Legislature,  
7 for the purpose of addressing the state’s digital divide.

8     (b) Revenues described in subdivision (a) shall be deposited in  
9 the Digital Divide Account, which is hereby established in the  
10 California Teleconnect Fund Administrative Committee Fund  
11 established pursuant to Section 270, to be used only for digital  
12 divide pilot projects. Not more than 5 percent of the revenues  
13 described in subdivision (a) may be used to pay the costs incurred  
14 in connection with the administration of digital divide pilot projects  
15 by the commission.

16     (c) (1) The Digital Divide Grant Program is hereby established  
17 subject to the availability of funding pursuant to this section. The  
18 commission may not implement the grant program until the  
19 commission projects that at least five hundred thousand dollars  
20 (\$500,000) will be available in the Digital Divide Account during  
21 the calendar year following implementation, based on money  
22 collected pursuant to Section 14666.8 of the Government Code.

23     (2) The commission shall provide grants pursuant to this  
24 subdivision on a competitive basis subject to criteria to be  
25 established by the commission and in a way that disburses the  
26 funds widely, including urban and rural areas. Grants shall be  
27 awarded to community-based nonprofit organizations that are  
28 exempt from taxation under Section 501(c)(3) of the Internal  
29 Revenue Code for the purpose of funding community technology  
30 programs.

31     (3) Recipients of grants pursuant to this subdivision shall report  
32 to the commission annually on the effectiveness of the grant  
33 program.

34     (d) For purposes of this section, “community technology  
35 programs” means a program that is engaged in diffusing technology  
36 in local communities and training local communities in the use of  
37 technology, especially local communities that otherwise would  
38 have no access or limited access to the Internet and other  
39 technologies.

(e) For purposes of this section, “digital divide projects” means community technology programs involved in activities that include, but are not limited to, the following:

(1) Providing open access to and opportunities for training in technology.

(2) Developing content relevant to the interests and wants of the local community.

(3) Preparing youth for opportunities in the new economy through multimedia training and skills.

(4) Harnessing technology for e-government services.

~~SEC. 2.~~

*SEC. 3.* Section 281 of the Public Utilities Code is amended to read:

281. (a) The commission shall develop, implement, and administer the California Advanced Services Fund program to encourage deployment of high-quality advanced communications services to all Californians that will promote economic growth, job creation, and the substantial social benefits of advanced information and communications technologies, consistent with this section.

(b) (1) The goal of the program is, no later than December 31, 2015, to approve funding for infrastructure projects that will provide broadband access to no less than 98 percent of California households.

(2) In approving infrastructure projects, the commission shall give priority to projects that provide last-mile broadband access to households that are unserved by an existing facilities-based broadband provider. The commission shall provide each applicant, and any party challenging an application, the opportunity to demonstrate actual levels of broadband service in the project area, which the commission shall consider in reviewing the application.

(c) The commission shall establish the following accounts within the fund:

(1) The Broadband Infrastructure Grant Account.

(2) The Rural and Urban Regional Broadband Consortia Grant Account.

(3) The Broadband Infrastructure Revolving Loan Account.

(4) The Broadband Public Housing Account.

(d) (1) All moneys collected by the surcharge authorized by the commission pursuant to Decision 07-12-054 shall be

1 transmitted to the commission pursuant to a schedule established  
2 by the commission. The commission shall transfer the moneys  
3 received to the Controller for deposit in the California Advanced  
4 Services Fund. Moneys collected on and after January 1, 2011,  
5 shall be deposited in the following amounts in the following  
6 accounts:

7 (A) One hundred ninety million dollars (\$190,000,000) into the  
8 Broadband Infrastructure Grant Account.

9 (B) Ten million dollars (\$10,000,000) into the Rural and Urban  
10 Regional Broadband Consortia Grant Account.

11 (C) Fifteen million dollars (\$15,000,000) into the Broadband  
12 Infrastructure Revolving Loan Account.

13 (2) All interest earned on moneys in the fund shall be deposited  
14 in the fund.

15 (3) The commission shall not collect moneys, by imposing the  
16 surcharge described in paragraph (1) for deposit in the fund, in an  
17 amount that exceeds one hundred million dollars (\$100,000,000)  
18 before January 1, 2011. On and after January 1, 2011, the  
19 commission may collect an additional sum not to exceed two  
20 hundred fifteen million dollars (\$215,000,000), for a sum total of  
21 moneys collected by imposing the surcharge described in paragraph  
22 (1) not to exceed three hundred fifteen million dollars  
23 (\$315,000,000). The commission may collect the additional sum  
24 beginning with the calendar year starting on January 1, 2011, and  
25 continuing through the 2020 calendar year, in an amount not to  
26 exceed twenty-five million dollars (\$25,000,000) per year, unless  
27 the commission determines that collecting a higher amount in any  
28 year will not result in an increase in the total amount of all  
29 surcharges collected from telephone customers that year.

30 (e) (1) All moneys in the California Advanced Services Fund  
31 shall be available, upon appropriation by the Legislature, to the  
32 commission for the program administered by the commission  
33 pursuant to this section, including the costs incurred by the  
34 commission in developing, implementing, and administering the  
35 program and the fund.

36 (2) Notwithstanding any other law and for the sole purpose of  
37 providing matching funds pursuant to the federal American  
38 Recovery and Reinvestment Act of 2009 (Public Law 111-5), any  
39 entity eligible for funding pursuant to that act shall be eligible to  
40 apply to participate in the program administered by the commission

1 pursuant to this section, if that entity otherwise satisfies the  
2 eligibility requirements under that program. Nothing in this section  
3 shall impede the ability of an incumbent local exchange carrier,  
4 as defined by subsection (h) of Section 251 of Title 47 of the  
5 United States Code, that is regulated under a rate of return  
6 regulatory structure, to recover, in rate base, California  
7 infrastructure investment not provided through federal or state  
8 grant funds for facilities that provide broadband service and  
9 California intrastate voice service.

10 (3) Notwithstanding subdivision (b) of Section 270, an entity  
11 that is not a telephone corporation shall be eligible to apply to  
12 participate in the program administered by the commission pursuant  
13 to this section to provide access to broadband to an unserved or  
14 underserved household, as defined in commission Decision  
15 12-02-015, if the entity otherwise meets the eligibility requirements  
16 and complies with program requirements established by the  
17 commission. These requirements shall include all of the following:

18 (A) That projects under this paragraph provide last-mile  
19 broadband access to households that are unserved by an existing  
20 facilities-based broadband provider and only receive funding to  
21 provide broadband access to households that are unserved or  
22 underserved, as defined in commission Decision 12-02-015.

23 (B) That funding for a project providing broadband access to  
24 an underserved household shall not be approved until after any  
25 existing facilities-based provider has an opportunity to demonstrate  
26 to the commission that it will, within a reasonable timeframe,  
27 upgrade existing service. An existing facilities-based provider  
28 may, but is not required to, apply for funding under this section to  
29 make that upgrade.

30 (C) That the commission shall provide each applicant, and any  
31 party challenging an application, the opportunity to demonstrate  
32 actual levels of broadband service in the project area, which the  
33 commission shall consider in reviewing the application.

34 (D) That a local governmental agency may be eligible for an  
35 infrastructure grant only if the infrastructure project is for an  
36 unserved household or business, the commission has conducted  
37 an open application process, and no other eligible entity applied.

38 (E) That the commission shall establish a service list of  
39 interested parties to be notified of California Advanced Services  
40 Fund applications.

(f) Moneys in the Rural and Urban Regional Broadband Consortia Grant Account shall be available for grants to eligible consortia to fund the cost of broadband deployment activities other than the capital cost of facilities, as specified by the commission. An eligible consortium may include, as specified by the commission, representatives of organizations, including, but not limited to, local and regional government, public safety, elementary and secondary education, health care, libraries, postsecondary education, community-based organizations, tourism, parks and recreation, agricultural, and business, and is not required to have as its lead fiscal agent an entity with a certificate of public convenience and necessity.

(g) Moneys in the Broadband Infrastructure Revolving Loan Account shall be available to finance capital costs of broadband facilities not funded by a grant from the Broadband Infrastructure Grant Account. The commission shall periodically set interest rates on the loans based on surveys of existing financial markets.

(h) (1) For purposes of this subdivision, the following terms have the following meanings:

(A) “Publicly subsidized” means either that the housing development receives financial assistance from the United States Department of Housing and Urban Development pursuant to an annual contribution contract or is financed with low-income housing tax credits, tax-exempt mortgage revenue bonds, general obligation bonds, or local, state, or federal loans or grants and the rents of the occupants, who are lower income households, do not exceed those prescribed by deed restrictions or regulatory agreements pursuant to the terms of the financing or financial assistance.

(B) “Publicly supported community” means a publicly subsidized multifamily housing development that is wholly owned by either of the following:

(i) A public housing agency that has been chartered by the state, or by any city or county in the state, and has been determined to be an eligible public housing agency by the United States Department of Housing and Urban Development.

(ii) An incorporated nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec. 501(c)(3)) that is exempt from taxation under Section 501(a) of that code (26 U.S.C. Sec. 501(a)), and that has received public

1 funding to subsidize the construction or maintenance of housing  
2 occupied by residents whose annual income qualifies as “low” or  
3 “very low” income according to federal poverty guidelines.

4 (2) Notwithstanding subdivision (b) of Section 270, moneys in  
5 the Broadband Public Housing Account shall be available for the  
6 commission to award grants and loans pursuant to this subdivision  
7 to an eligible publicly supported community if that entity otherwise  
8 meets eligibility requirements and complies with program  
9 requirements established by the commission.

10 (3) Not more than twenty million dollars (\$20,000,000) shall  
11 be available for grants and loans to a publicly supported community  
12 to finance a project to connect a broadband network to that publicly  
13 supported community. A publicly supported community may be  
14 an eligible applicant only if the publicly supported community can  
15 verify to the commission that the publicly supported community  
16 has not denied a right of access to any broadband provider that is  
17 willing to connect a broadband network to the facility for which  
18 the grant or loan is sought.

19 (4) (A) Not more than five million dollars (\$5,000,000) shall  
20 be available for grants and loans to a publicly supported community  
21 to support programs designed to increase adoption rates for  
22 broadband services for residents of that publicly supported  
23 community. A publicly supported community may be eligible for  
24 funding for a broadband adoption program only if the residential  
25 units in the facility to be served have access to broadband services  
26 or will have access to broadband services at the time the funding  
27 for adoption is implemented.

28 (B) A publicly supported community may contract with other  
29 nonprofit or public agencies to assist in implementation of a  
30 broadband adoption program.

31 (5) To the extent feasible, the commission shall approve projects  
32 for funding from the Broadband Public Housing Account in a  
33 manner that reflects the statewide distribution of publicly supported  
34 communities.

35 (6) In reviewing a project application under this subdivision,  
36 the commission shall consider the availability of other funding  
37 sources for that project, any financial contribution from the  
38 broadband service provider to the project, the availability of any  
39 other public or private broadband adoption or deployment program,  
40 including tax credits and other incentives, and whether the applicant



has sought funding from, or participated in, any reasonably available program. The commission may require an applicant to provide match funding, and shall not deny funding for a project solely because the applicant is receiving funding from another source.

(7) (A) To provide funding for the purposes of this subdivision, the commission shall transfer to the Broadband Public Housing Account twenty million dollars (\$20,000,000) from the Broadband Infrastructure Grant Account and five million dollars (\$5,000,000) from the Broadband Revolving Loan Account. Any moneys in the Broadband Public Housing Account that have not been awarded pursuant to this subdivision by December 31, 2016, shall be transferred back to the Broadband Infrastructure Grant Account and Broadband Infrastructure Revolving Loan Account in proportion to the amount transferred from the respective accounts.

(B) The commission shall transfer funds pursuant to subparagraph (A) only if the commission is otherwise authorized to collect funds for purposes of this section in excess of the total amount authorized pursuant to paragraph (3) of subdivision (d).

~~SEC. 3.~~

*SEC. 4.* Section 309.7 of the Public Utilities Code is amended to read:

309.7. (a) The division of the commission responsible for consumer protection and safety shall be responsible for inspection, surveillance, and investigation of the rights-of-way, facilities, equipment, and operations of railroads and public mass transit guideways, and for enforcing state and federal laws, regulations, orders, and directives relating to transportation of persons or commodities, or both, of any nature or description by rail. The division of the commission responsible for consumer protection and safety shall advise the commission on all matters relating to rail safety, and shall propose to the commission rules, regulations, orders, and other measures necessary to reduce the dangers caused by unsafe conditions on the railroads of the state. The delegation of enforcement responsibility to the division of the commission responsible for consumer protection and safety shall not diminish the power of other agencies of state government to enforce laws relating to employee or environmental safety, pollution prevention, or public health and safety.

(b) In performing its duties, the division of the commission responsible for consumer protection and safety shall exercise all powers of investigation granted to the commission, including rights to enter upon land or facilities, inspect books and records, and compel testimony. The commission shall employ sufficient federally certified inspectors to ensure at the time of inspection that railroad locomotives and equipment and facilities located in class I railroad yards in California are inspected not less frequently than every 180 days, and all main and branch line tracks are inspected not less frequently than every 12 months. In performing its duties, the division of the commission responsible for consumer protection and safety shall consult with representatives of railroad corporations, labor organizations representing railroad employees, and the Federal Railroad Administration.

(c) The general counsel shall assign to the division of the commission responsible for consumer protection and safety the personnel and attorneys necessary to fully utilize the powers granted to the commission by any state law, and by any federal law relating to rail transportation, including, but not limited to, the Federal Rail Safety Act (45 U.S.C. Sec. 421m, et seq.), to enforce safety laws, rules, regulations, and orders, and to collect fines and penalties resulting from the violation of any safety rule or regulation.

(d) The activities of the division of the commission responsible for consumer protection and safety that relate to safe operation of common carriers by rail, other than those relating to grade crossing protection, shall also be supported by the fees paid by railroad corporations, if any, pursuant to Sections 421 to 424, inclusive. The activities of the division of the commission responsible for consumer protection and safety that relate to grade crossing protection shall be supported by funds appropriated therefor from the State Highway Account in the State Transportation Fund.

~~SEC. 4.~~

SEC. 5. Section 311.4 of the Public Utilities Code is amended to read:

311.4. (a) On or after July 1, 2001, the commission shall establish procedures to permit the submission of informal complaints through electronic means in accordance with this section.

1 (b) On or before January 1, 2002, the commission shall provide  
2 on its Internet Web site the means by which consumers may submit  
3 informal complaints through electronic means.

4 (c) For the purpose of this section, “electronic means” includes,  
5 but shall not be limited to, email or the Internet, or both.

6 (d) Upon the receipt of an informal complaint submitted by  
7 electronic means, the commission shall immediately forward the  
8 complaint to the entity named in the complaint.

9 (e) The commission shall permit the submission of informal  
10 complaints through electronic means, if, as determined by the  
11 commission, both of the following conditions are met:

12 (1) The dollar amount in the complaint does not exceed the  
13 jurisdictional limit of a small claims court specified in subdivision  
14 (a) of Section 116.220 or Section 116.221 of the Code of Civil  
15 Procedure.

16 (2) The commission has addressed any impediments in the  
17 electronic systems employed by the commission that would prevent  
18 or substantially adversely affect the ability of the commission to  
19 receive informal complaints by electronic means.

20 (f) The commission shall include a notice on its Internet Web  
21 site of the availability of the procedures described in subdivision  
22 (a).

23 (g) For the purposes of implementing this section, the  
24 commission shall make available to the public an industry specific  
25 online complaint form that allows a customer to specify  
26 information that the commission determines to be relevant for  
27 purposes of resolving a dispute, including the account number, the  
28 type of dispute, and the opportunity to make general comments.

29 (h) This act may not be implemented, and no information  
30 technology-related preparatory work may be undertaken in  
31 connection with this act prior to July 1, 2001, without the  
32 concurrence of the commission and the authorization of the  
33 Department of Information Technology pursuant to Executive  
34 Order D-3-99.

35 ~~SEC. 5.~~

36 *SEC. 6.* Section 321.6 of the Public Utilities Code is amended  
37 to read:

38 321.6. ~~(a)~~—The president of the commission shall annually  
39 appear before the appropriate policy committees of the Legislature

~~Senate and Assembly to report on the annual work plan present the annual report of the commission required pursuant to Section 910.~~

~~(b) The president of the commission shall annually appear before the appropriate policy committees of the Legislature to report on the annual report of the commission on the number of cases where resolution exceeded the time periods prescribed in scoping memos and the days that commissioners presided in hearings, pursuant to Section 13 of Chapter 856 of the Statutes of 1996.~~

~~SEC. 6.~~

SEC. 7. Section 321.7 of the Public Utilities Code is amended and renumbered to read:

913.10. (a) On or before January 1, 2010, and biennially thereafter, the commission, in consultation with the Independent System Operator and the State Energy Resources Conservation and Development Commission, shall study, and submit a report to the Legislature and the Governor, on the impacts of distributed energy generation on the state's distribution and transmission grid. The study shall evaluate all of the following:

(1) Reliability and transmission issues related to connecting distributed energy generation to the local distribution networks and regional grid.

(2) Issues related to grid reliability and operation, including interconnection, and the position of federal and state regulators toward distributed energy accessibility.

(3) The effect on overall grid operation of various distributed energy generation sources.

(4) Barriers affecting the connection of distributed energy to the state's grid.

(5) Emerging technologies related to distributed energy generation interconnection.

(6) Interconnection issues that may arise for the Independent System Operator and local distribution companies.

(7) The effect on peak demand for electricity.

(b) In addition, the commission shall specifically assess the impacts of the California Solar Initiative program, specified in Section 2851 and Section 25783 of the Public Resources Code, the self-generation incentive program authorized by Section 379.6, and the net energy metering pilot program authorized by Section 2827.9.

1     ~~SEC. 7. Section 322 of the Public Utilities Code is amended~~  
2     ~~and renumbered to read:~~

3     ~~910.2. (a) The commission shall periodically, at least once~~  
4     ~~each year, compile its rules of procedure together with every order~~  
5     ~~and decision of the commission relating to the conduct of the~~  
6     ~~commission's hearings and proceedings.~~

7     ~~(b) The compilation shall include, but not be limited to, matters~~  
8     ~~relating to all of the following:~~

9     ~~(1) Pleadings.~~

10    ~~(2) Public notice.~~

11    ~~(3) Public attendance.~~

12    ~~(4) Specification of issues.~~

13    ~~(5) Prehearing procedures.~~

14    ~~(6) Discovery.~~

15    ~~(7) Evidence.~~

16    ~~(8) Supporting documentation.~~

17    ~~(9) Submission of briefs and arguments.~~

18    ~~(10) Meetings of the commission.~~

19    ~~(11) All other rules of procedure governing participation in~~  
20    ~~hearings and proceedings of the commission by public utilities,~~  
21    ~~commission staff, and other persons.~~

22    ~~SEC. 8. Section 326 of the Public Utilities Code is amended~~  
23    ~~and renumbered to read:~~

24    ~~910.6.~~

25    ~~910.5. (a) By January 10 of each year, the commission shall~~  
26    ~~report to the Joint Legislative Budget Committee and appropriate~~  
27    ~~fiscal and policy committees of the Legislature, on all sources and~~  
28    ~~amounts of funding and actual and proposed expenditures, both~~  
29    ~~in the two prior fiscal years and for the proposed fiscal year,~~  
30    ~~including any costs to ratepayers, related to interactions by the~~  
31    ~~commission, its officers, or its staff with the California Public~~  
32    ~~Utilities Commission Foundation, or any derivative, or successor,~~  
33    ~~or with any agent or director of the foundation, including all of~~  
34    ~~the following:~~

35    ~~(1) Attendance at meetings, conferences, or events organized~~  
36    ~~or sponsored by the foundation.~~

37    ~~(2) Any contract or other agreement between the commission,~~  
38    ~~its officers, or its staff and the foundation, including agreements~~  
39    ~~relating to attendance at any educational or training conference or~~  
40    ~~event.~~

1 (3) Any agenda item, order, decision, resolution, or motion,  
2 referencing the foundation.

3 (4) Endorsements of the foundation or its activities.

4 (5) Any contribution made to the foundation at the behest of a  
5 member of the commission, its officers, or its staff, and any direct  
6 or indirect contribution made to the foundation by a member of  
7 the commission, its officers, or its staff. For purposes of this  
8 paragraph, “contribution” means any payment, a forgiveness of a  
9 loan, a payment of a loan by a third party, or an enforceable  
10 promise to make a payment, except to the extent that full and  
11 adequate consideration is received.

12 (b) (1) Within eight weeks of any contribution to the foundation  
13 made at the behest of a member of the commission, its officers,  
14 or its staff, the commission shall report the contribution to the Joint  
15 Legislative Budget Committee and appropriate fiscal and policy  
16 committees of the Legislature, and include any documents  
17 pertaining to the contribution.

18 (2) Each report shall include certification from the commission  
19 that the contribution does not violate the Conflict of Interest Code  
20 and Statement of Incompatible Activities adopted pursuant to  
21 Section 303.

22 SEC. 9. Section 326.5 of the Public Utilities Code is amended  
23 and renumbered to read:

24 ~~910.5.~~

25 *910.4.* By January 10 of each year, the commission shall report  
26 to the Joint Legislative Budget Committee and appropriate fiscal  
27 and policy committees of the Legislature, on all sources and  
28 amounts of funding and actual and proposed expenditures, both  
29 in the two prior fiscal years and for the proposed fiscal year,  
30 including any costs to ratepayers, related to both of the following:

31 (a) Entities or programs established by the commission by order,  
32 decision, motion, settlement, or other action, including, but not  
33 limited to, the California Clean Energy Fund, the California  
34 Emerging Technology Fund, and the Pacific Forest and Watershed  
35 Lands Stewardship Council. The report shall contain descriptions  
36 of relevant issues, including, but not limited to, all of the following:

37 (1) Any governance structure established for an entity or  
38 program.

39 (2) Any staff or employees hired by or for the entity or program  
40 and their salaries and expenses.

1 (3) Any staff or employees transferred or loaned internally or  
2 interdepartmentally for the entity or program and their salaries and  
3 expenses.

4 (4) Any contracts entered into by the entity or program, the  
5 funding sources for those contracts, and the legislative authority  
6 under which the commission entered into the contract.

7 (5) The public process and oversight governing the entity or  
8 program's activities.

9 (b) Entities or programs established by the commission, other  
10 than those expressly authorized by statute, under the following  
11 sections:

12 (1) Section 379.6.

13 (2) Section 399.8.

14 (3) Section 739.1.

15 (4) Section 2790.

16 (5) Section 2851.

17 ~~SEC. 10. Section 348 of the Public Utilities Code is amended~~  
18 ~~to read:~~

19 ~~348. The Independent System Operator shall adopt inspection,~~  
20 ~~maintenance, repair, and replacement standards for the transmission~~  
21 ~~facilities under its control no later than September 30, 1997. The~~  
22 ~~standards, which shall be performance or prescriptive standards,~~  
23 ~~or both, as appropriate, for each substantial type of transmission~~  
24 ~~equipment or facility, shall provide for high quality, safe, and~~  
25 ~~reliable service. In adopting its standards, the Independent System~~  
26 ~~Operator shall consider: cost, local geography and weather,~~  
27 ~~applicable codes, national electric industry practices, sound~~  
28 ~~engineering judgment, and experience. The Independent System~~  
29 ~~Operator shall also adopt standards for reliability, and safety during~~  
30 ~~periods of emergency and disaster.~~

31 ~~SEC. 11.~~

32 *SEC. 10.* Section 364 of the Public Utilities Code is amended  
33 to read:

34 364. (a) The commission shall adopt inspection, maintenance,  
35 repair, and replacement standards, and shall, in a new proceeding,  
36 or new phase of an existing proceeding, to commence on or before  
37 July 1, 2015, consider adopting rules to address the physical  
38 security risks to the distribution systems of electrical corporations.  
39 The standards or rules, which shall be prescriptive or performance  
40 based, or both, and may be based on risk management, as

1 appropriate, for each substantial type of distribution equipment or  
2 facility, shall provide for high-quality, safe, and reliable service.

3 (b) In setting its standards or rules, the commission shall  
4 consider: cost, local geography and weather, applicable codes,  
5 potential physical security risks, national electric industry practices,  
6 sound engineering judgment, and experience. The commission  
7 shall also adopt standards for operation, reliability, and safety  
8 during periods of emergency and disaster.

9 (c) The commission shall conduct a review to determine whether  
10 the standards or rules prescribed in this section have been met. If  
11 the commission finds that the standards or rules have not been  
12 met, the commission may order appropriate sanctions, including  
13 penalties in the form of rate reductions or monetary fines. The  
14 review shall be performed after every major outage. Any money  
15 collected pursuant to this subdivision shall be used to offset funding  
16 for the California Alternative Rates for Energy Program.

17 (d) The commission may, consistent with other provisions of  
18 law, withhold from the public information generated or obtained  
19 pursuant to this section that it deems would pose a security threat  
20 to the public if disclosed.

21 ~~SEC. 12.~~

22 *SEC. 11.* Section 379.7 of the Public Utilities Code is amended  
23 to read:

24 379.7. (a) The Legislature finds and declares that the  
25 demonstration project authorized pursuant to this section, at the  
26 Antelope Valley Fairgrounds, to determine actual energy and cost  
27 savings that may be achieved when investments are made onsite  
28 to both reduce overall electricity demand and to offset peak  
29 electricity demand through the installation of (1) cost-effective  
30 energy efficient equipment and fixtures, and (2) a photovoltaic  
31 solar energy system, will provide valuable empirical data upon  
32 which to optimize future ratepayer investments in cost-effective  
33 energy efficiency and photovoltaic solar systems.

34 (b) (1) The demonstration project authorized pursuant to this  
35 section shall be referred to as the Antelope Valley Fairgrounds EE  
36 and PV Synergy Demonstration Project.

37 (2) To ensure that potential energy and cost savings from  
38 cost-effective energy efficient equipment and fixtures are achieved,  
39 the Antelope Valley Fairgrounds shall do both of the following:



1 (A) Implement the recommendations of the energy audit  
2 performed on July 27, 2004.

3 (B) Include cost-effective energy efficient equipment and  
4 fixtures in all future expansions of the fairgrounds.

5 (3) To ensure that potential energy and cost savings are achieved  
6 from a photovoltaic solar energy system of up to 630 kilowatts  
7 installed at the Antelope Valley Fairgrounds, the photovoltaic solar  
8 energy system shall meet both of the following criteria:

9 (A) Be installed in a manner that optimizes operating efficiency,  
10 including appropriate siting.

11 (B) Consist of components that are new and unused and have  
12 a warranty of not less than 10 years to protect against defects and  
13 undue degradation of electrical generation output.

14 (c) An electrical corporation providing electrical service to the  
15 Antelope Valley Fairgrounds shall, by February 1, 2006, file with  
16 the commission a tariff providing for an incentive rate consistent  
17 with this section. The incentive rate shall provide stability and  
18 certainty over a 10-year period in an amount and in a manner to  
19 support investment in, and to test the durability of, the photovoltaic  
20 solar energy system installed at the fairgrounds. The incentive rate,  
21 together with an incentive from the self-generation incentive  
22 program that recognizes the energy efficiency investments made  
23 at the fairgrounds as authorized pursuant to Section 379.6, shall  
24 provide for a 10-year payback period for the photovoltaic solar  
25 energy system. The incentive rate shall not result in any cost  
26 shifting among customer classes of the electrical corporation.

27 (d) Actual energy and cost savings shall be determined through  
28 annual energy audits and ongoing metering of electricity used and  
29 electricity produced on a time-of-use basis.

30 (e) The demonstration project will be complete 10 years from  
31 the date the Antelope Valley Fairgrounds first takes electrical  
32 service pursuant to the incentive rate required by this section.

33 (f) This section shall remain in effect only until January 1, 2017,  
34 and as of that date is repealed, unless a later enacted statute, that  
35 is enacted before January 1, 2017, deletes or extends that date.

36 ~~SEC. 13. Section 381.2 of the Public Utilities Code is amended~~  
37 ~~to read:~~

38 ~~381.2. By March 1, 2010, the commission, by opening a new~~  
39 ~~proceeding or amending an existing proceeding, shall investigate~~  
40 ~~the ability of electrical corporations and gas corporations to provide~~

1 various energy efficiency financing options to their customers for  
2 the purposes of implementing the program developed pursuant to  
3 Section 25943 of the Public Resources Code.

4 ~~SEC. 14.~~ Section 384.2 of the Public Utilities Code is amended  
5 and renumbered to read:

6 ~~913.7.~~ The commission shall submit a report to the Legislature  
7 by July 15, 2009, and triennially thereafter, on the energy efficiency  
8 and conservation programs it oversees. The report shall include  
9 information regarding authorized utility budgets and expenditures  
10 and projected and actual energy savings over the program cycle.

11 ~~SEC. 15.~~

12 ~~SEC. 12.~~ Section 399.19 of the Public Utilities Code is amended  
13 and renumbered to read:

14 913.6. The commission, in consultation with the Energy  
15 Commission, shall report to the Legislature by January 1 of every  
16 even-numbered year on all of the following:

17 (a) The progress and status of procurement activities by each  
18 retail seller pursuant to the California Renewables Portfolio  
19 Standard Program (Article 16 (commencing with Section 399.11)  
20 of Chapter 2.3).

21 (b) The status of permitting and siting eligible renewable energy  
22 resources and transmission facilities necessary to supply electricity  
23 generated to load, including the time taken to permit each eligible  
24 renewable energy resource and transmission line or upgrade,  
25 explanations of failures to meet permitting milestones, and  
26 recommendations for improvements to expedite permitting and  
27 siting processes.

28 (c) The projected ability of each electrical corporation to meet  
29 the renewables portfolio standard procurement requirements under  
30 the cost limitations in subdivision (d) of Section 399.15 and any  
31 recommendations for revisions of those cost limitations.

32 (d) Any barriers to, and policy recommendations for, achieving  
33 the renewables portfolio standard pursuant to the California  
34 Renewables Portfolio Standard Program (Article 16 (commencing  
35 with Section 399.11) of Chapter 2.3).

36 ~~SEC. 16.~~

37 ~~SEC. 13.~~ Section 421 of the Public Utilities Code is amended  
38 to read:

39 421. (a) The commission shall annually determine a fee to be  
40 paid by every passenger stage corporation, charter-party carrier of

1 passengers, pipeline corporation, for-hire vessel operator, common  
2 carrier vessel operator, railroad corporation, and commercial air  
3 operator, and every other common carrier and related business  
4 subject to the jurisdiction of the commission, except as otherwise  
5 provided in Article 3 (commencing with Section 431) of this  
6 chapter and Chapter 6 (commencing with Section 5001) of Division  
7 2.

8 (b) The annual fee shall be established to produce a total amount  
9 equal to the amount established in the authorized commission  
10 budget for the same year, including adjustments appropriated by  
11 the Legislature and an appropriate reserve, to regulate common  
12 carriers and related businesses, less the amount to be paid from  
13 special accounts or funds pursuant to Section 403, reimbursements,  
14 federal funds, other revenues, and unencumbered funds from the  
15 preceding year.

16 (c) Notwithstanding any other provision of law, the fees paid  
17 by railroad corporations shall be used for state-funded railroad  
18 investigation and enforcement activities of the commission, other  
19 than the rail safety activities funded by the Transportation Planning  
20 and Development Account pursuant to Section 99315. The railroad  
21 fees shall be set annually at a level which generates not less than  
22 the amount sufficient to fund activities pursuant to Sections 765.5,  
23 916.2, and 7712.

24 (d) On January 1, 1992, the commission shall submit to the  
25 Legislature a detailed budget implementing this section for the  
26 1992–93 fiscal year. The commission shall also submit to the  
27 Legislature by January 1, 1993, and on each January 1 thereafter,  
28 a detailed budget for expenditure of railroad corporation fees for  
29 the ensuing budget year. The budget for expenditure of railroad  
30 corporation fees, for each of the 1996–97 and 1997–98 fiscal years,  
31 shall not exceed the amount of three million dollars (\$3,000,000).  
32 Expenditures of this budget shall be limited to the following items:

33 (1) Expenditures for employees occupying, and actually  
34 performing service in, railroad-safety personnel positions that are  
35 directly involved in inspecting railroads and enforcing rail safety  
36 regulations. The commission shall expend the funds budgeted  
37 pursuant to this subdivision for the salaries, per diem, and travel  
38 expenses of employees specified in this paragraph, unless, by  
39 statute, the commission is specifically prohibited from expending  
40 all or part of those funds.

1 (2) Expenditures for employees occupying, and actually  
2 performing service in, clerical and support staff positions that are  
3 directly associated with railroad-safety inspections.

4 (3) Expenditures for legal personnel who actually pursue  
5 violations of rail safety regulations beyond the informal complaint  
6 level.

7 (4) Expenditures for an audit by the California State Auditor's  
8 Office pursuant to subdivision (f), not to exceed seventy-five  
9 thousand dollars (\$75,000).

10 (5) Expenditures for the pro rata share of the commission's  
11 overhead costs while state personnel are actually occupying the  
12 positions, and are performing the duties specified in paragraphs  
13 (1) to (4), inclusive.

14 (e) The Department of Finance shall notify the Joint Legislative  
15 Budget Committee, pursuant to Section 28.00 of the annual Budget  
16 Act, prior to authorizing any change in the Budget Act  
17 appropriation for railroad corporation fees that is larger than one  
18 hundred thousand dollars (\$100,000), or 10 percent of the amount  
19 budgeted, whichever is less.

20 (f) Except as otherwise provided in this subdivision,  
21 commencing with the 1993–94 fiscal year, and in each subsequent  
22 fiscal year until the 1999–2000 fiscal year, the commission shall  
23 conduct an audit of the expenditure of the funds received pursuant  
24 to this section, except that for the 1996–97 fiscal year and fiscal  
25 years thereafter the audit shall be conducted by the California State  
26 Auditor's Office. The results of this audit shall be reported, in  
27 writing, commencing on or before February 15, 1995, with respect  
28 to the audit for the 1993–94 fiscal year, and on or before January  
29 15 of each year thereafter, with respect to the audit for the fiscal  
30 year ending on the previous June 30, to the appropriate policy and  
31 budget committees of the respective houses of the Legislature. The  
32 commission shall reimburse the California State Auditor's Office  
33 for the costs of the audits beginning with the 1996–97 fiscal year.

34 (g) On or before January 1, 1994, the commission shall hire a  
35 minimum of four additional operating practices inspectors,  
36 exclusive of supervisory personnel, who are, or shall become by  
37 July 1, 1994, federally certified, for the purpose of enforcing  
38 compliance by railroads operating in this state with state and federal  
39 safety regulations.

1 (h) The commission, in performing its duties, shall limit the  
2 expenditure of funds for rail safety purposes to those railroad  
3 corporation fees collected pursuant to subdivision (d). In no event,  
4 shall the commission fund railroad safety activities utilizing funds  
5 from other commission accounts unrelated to railroad safety.

6 *SEC. 14. The heading of Article 5 (commencing with Section*  
7 *581) of Chapter 3 of Part 1 of Division 1 of the Public Utilities*  
8 *Code is amended to read:*

9  
10 Article 5. Reports to the Commission

11  
12 ~~SEC. 17.~~

13 *SEC. 15.* Section 432.5 of the Public Utilities Code is amended  
14 and renumbered to read:

15 ~~910.3.~~

16 *910.2.* (a) The commission shall report to the Legislature the  
17 collections from each class of utility and expenditures, both direct  
18 and indirect, for regulatory and other authorized commission  
19 activities affecting each class. Where expenditures are for overhead,  
20 allocations of services common to several classes, or for  
21 commission-wide activities, the methods used to calculate the  
22 expenditures attributed to the class shall be described in reasonable  
23 detail.

24 (b) The report shall be furnished to the Legislature within 60  
25 days after the end of the fiscal year, and shall be subject to audit.  
26 The commission shall maintain information and reports necessary  
27 to perform an audit pursuant to this section.

28 *SEC. 16. Section 590 is added to the Public Utilities Code, to*  
29 *read:*

30 *590. The commission shall require each electrical corporation*  
31 *to report annually on its compliance with the standards or rules*  
32 *adopted by the commission pursuant to Section 364. That report*  
33 *shall be made available to the public, except that the commission*  
34 *may, consistent with other provisions of law, withhold from the*  
35 *public information generated or obtained pursuant to this section*  
36 *that it deems would pose a security threat to the public if disclosed.*

37 ~~SEC. 18.~~

38 *SEC. 17.* Section 740.3 of the Public Utilities Code is amended  
39 to read:

1 740.3. (a) The commission, in cooperation with the State  
2 Energy Conservation and Development Commission, the State Air  
3 Resources Board, air quality management districts and air pollution  
4 control districts, regulated electrical and gas corporations, and the  
5 motor vehicle industry, shall evaluate and implement policies to  
6 promote the development of equipment and infrastructure needed  
7 to facilitate the use of electric power and natural gas to fuel  
8 low-emission vehicles. Policies to be considered shall include both  
9 of the following:

10 (1) The sale-for-resale and the rate-basing of low-emission  
11 vehicles and supporting equipment such as batteries for electric  
12 vehicles and compressor stations for natural gas fueled vehicles.

13 (2) The development of statewide standards for electric vehicle  
14 charger connections and compressed natural gas vehicle fueling  
15 connections, including installation procedures and technical  
16 assistance to installers.

17 (b) The commission shall hold public hearings as part of its  
18 effort to evaluate and implement the new policies considered in  
19 subdivision (a).

20 (c) The commission's policies authorizing utilities to develop  
21 equipment or infrastructure needed for electric-powered and natural  
22 gas-fueled low-emission vehicles shall ensure that the costs and  
23 expenses of those programs are not passed through to electric or  
24 gas ratepayers unless the commission finds and determines that  
25 those programs are in the ratepayers' interest. The commission's  
26 policies shall also ensure that utilities do not unfairly compete with  
27 nonutility enterprises.

28 ~~SEC. 19.~~

29 *SEC. 18.* Section 747 of the Public Utilities Code is amended  
30 to read:

31 747. It is the intent of the Legislature that the commission  
32 reduce rates for electricity and natural gas to the lowest amount  
33 possible.

34 ~~SEC. 20.~~

35 *SEC. 19.* Section 747.6 of the Public Utilities Code is amended  
36 and renumbered to read:

37 913.9. The commission shall report annually on its efforts to  
38 identify ratepayer-funded energy efficiency programs that are  
39 similar to programs administered by the Energy Commission, the  
40 State Air Resources Board, and the California Alternative Energy

1 and Advanced Transportation Financing Authority in its annual  
2 report prepared pursuant to Section 913 and to require revisions  
3 to ratepayer-funded programs as necessary to ensure that the  
4 ratepayer-funded programs complement and do not duplicate  
5 programs of other state agencies.

6 ~~SEC. 21.~~

7 *SEC. 20.* Section 748 of the Public Utilities Code is amended  
8 and renumbered to read:

9 ~~913.2.~~

10 *913.1.* (a) The commission, by May 1, 2010, and by each May  
11 thereafter, shall prepare and submit a written report, separate  
12 from and in addition to the report required by Section 913, to the  
13 Governor and Legislature that contains the commission's  
14 recommendations for actions that can be undertaken during the  
15 succeeding 12 months to limit utility cost and rate increases,  
16 consistent with the state's energy and environmental goals,  
17 including goals for reducing emissions of greenhouse gases.

18 (b) In preparing the report required by subdivision (a), the  
19 commission shall require electrical corporations with 1,000,000  
20 or more retail customers in California, and gas corporations with  
21 500,000 or more retail customers in California, to study and report  
22 on measures the corporation recommends be undertaken to limit  
23 costs and rate increases.

24 (c) The commission shall post the report required by subdivision  
25 (a) in a conspicuous area of its Internet Web site.

26 ~~SEC. 22.~~

27 *SEC. 21.* Section 765 of the Public Utilities Code is amended  
28 to read:

29 765. (a) When the federal National Transportation Safety  
30 Board (NTSB) submits a safety recommendation letter concerning  
31 rail safety to the commission, the commission shall provide the  
32 NTSB with a formal written response to each recommendation no  
33 later than 90 days after receiving the letter. The response shall  
34 state one of the following:

35 (1) The commission's intent to implement the recommendations  
36 in full, with a proposed timetable for implementation of the  
37 recommendations.

38 (2) The commission's intent to implement part of the  
39 recommendations, with a proposed timetable for implementation  
40 of those recommendations, and detailed reasons for the

1 commission's refusal to implement those recommendations that  
2 the commission does not intend to implement.

3 (3) The commission's refusal to implement the  
4 recommendations, with detailed reasons for the commission's  
5 refusal to implement the recommendations.

6 (b) If the NTSB issues a safety recommendation letter  
7 concerning any commission-regulated rail facility to the United  
8 States Department of Transportation, the Federal Transit  
9 Administration, a commission-regulated rail operator, or the  
10 commission, or if the Federal Transit Administration issues a safety  
11 advisory concerning any commission-regulated rail facility, the  
12 commission shall determine if implementation of the  
13 recommendation or advisory is appropriate. The basis for the  
14 commission's determination shall be detailed in writing and shall  
15 be approved by a majority vote of the commission.

16 (c) If the commission determines that a safety recommendation  
17 made by the NTSB is appropriate, or that action concerning a  
18 safety advisory is necessary, the commission shall issue orders or  
19 adopt rules to implement the safety recommendation or advisory  
20 as soon as practicable. In implementing the safety recommendation  
21 or advisory, the commission shall consider whether a more  
22 effective, or equally effective and less costly, alternative exists to  
23 address the safety issue that the recommendation or advisory  
24 addresses.

25 ~~SEC. 23.~~

26 *SEC. 22.* Section 765.6 of the Public Utilities Code is amended  
27 and renumbered to read:

28 916.3. (a) The commission shall annually report to the  
29 Legislature on or before November 30 of each year on its  
30 compliance with the requirements of Section 765.5. The annual  
31 report shall include a determination by the commission of the  
32 impact on competition, if any, of the regulatory fees assessed  
33 railroad corporations and motor carriers for the support of the  
34 commission's activities.

35 (b) The commission may combine the information required by  
36 this section with the report prepared pursuant to Section 916.

37 ~~SEC. 24.~~

38 *SEC. 23.* Section 785 of the Public Utilities Code is amended  
39 to read:



1     785. To the extent consistent with federal law and regulation  
2 and contractual obligations regarding other available gas, the  
3 commission shall, in consultation with the Division of Oil and Gas  
4 of the Department of Conservation and with the State Energy  
5 Resources Conservation and Development Commission, encourage,  
6 as a first priority, the increased production of gas in this state,  
7 including gas produced from that area of the Pacific Ocean along  
8 the coast of California commonly known as the outer continental  
9 shelf, and shall require, after a hearing, every gas corporation to  
10 purchase that gas which is compatible with the corporation's gas  
11 plant and which is produced in this state having an actual delivered  
12 cost, measured in equivalent heat units, equal to or less than other  
13 available gas, unless this requirement will result in higher overall  
14 costs of gas or other consequences adverse to the interests of gas  
15 customers.

16     SEC. 24. *Section 846 of the Public Utilities Code is amended*  
17 *to read:*

18     846. The authority of the commission to issue financing orders  
19 pursuant to Section 841 shall expire on December 31, ~~2015~~ 2016.  
20 The expiration of the authority shall have no effect upon financing  
21 orders adopted by the commission pursuant to this article or any  
22 transition property arising therefrom, or upon the charges  
23 authorized to be levied thereunder, or the rights, interests, and  
24 obligations of the electrical corporation or a financing entity or  
25 holders of transition bonds pursuant to the financing order, or the  
26 authority of the commission to monitor, supervise, or take further  
27 action with respect to the order in accordance with the terms of  
28 this article and of the order.

29     SEC. 25. Section 873 of the Public Utilities Code is amended  
30 to read:

31     873. (a) The commission shall annually do all of the following:

32     (1) Designate a class of lifeline service necessary to meet  
33 minimum communications needs.

34     (2) Set the rates and charges for that service.

35     (3) Develop eligibility criteria for that service.

36     (4) Assess the degree of achievement of universal service,  
37 including telephone penetration rates by income, ethnicity, and  
38 geography.

(b) Minimum communications needs includes, but is not limited to, the ability to originate and receive calls and the ability to access electronic information services.

*SEC. 26. The heading of Article 11 (commencing with Section 910) of Chapter 4 of Part 1 of Division 1 of the Public Utilities Code is amended to read:*

Article 11. Reports to the Legislature

~~SEC. 26.~~

*SEC. 27.* Section 910 of the Public Utilities Code is amended and renumbered to read:

913.3. (a) By May 1 of each year, the commission shall prepare and submit to the policy and fiscal committees of the Legislature a written report summarizing the following information:

(1) All electrical corporation revenue requirement increases associated with meeting the renewables portfolio standard, as defined in Section 399.12, including direct procurement costs for eligible renewable energy resources and renewable energy credits, administrative expenses for procurement, expenses incurred to ensure a reliable supply of electricity, and expenses for upgrades to the electrical transmission and distribution grid necessary to the delivery of electricity from eligible renewable energy resources to load.

(2) All cost savings experienced, or costs avoided, by electrical corporations as a result of meeting the renewables portfolio standard.

(3) All costs incurred by electrical corporations for incentives for distributed and renewable generation, including the self-generation incentive program, the California Solar Initiative, and net energy metering.

(4) All cost savings experienced, or costs avoided, by electrical corporations as a result of incentives for distributed and renewable generation.

(5) All pending requests by an electrical corporation seeking recovery in rates for renewable, fossil fuel, and nuclear procurement costs, research, study, or pilot program costs.

(6) The decision number for each decision of the commission authorizing recovery in rates of costs incurred by an electrical corporation since the preceding report.

1 (7) Any change in the electrical load serviced by an electrical  
2 corporation since the preceding report.

3 (8) The efforts each electrical corporation is taking to recruit  
4 and train employees to ensure an adequately trained and available  
5 workforce, including the number of new employees hired by the  
6 electrical corporation for purposes of implementing the  
7 requirements of Article 16 (commencing with Section 399.11) of  
8 Chapter 2.3, the goals adopted by the electrical corporation for  
9 increasing women, minority, and disabled veterans trained or hired  
10 for purposes of implementing the requirements of Article 16  
11 (commencing with Section 399.11) of Chapter 2.3, and, to the  
12 extent information is available, the number of new employees  
13 hired and the number of women, minority, and disabled veterans  
14 trained or hired by persons or corporations owning or operating  
15 eligible renewable energy resources under contract with an  
16 electrical corporation. This paragraph does not provide the  
17 commission with authority to engage in, regulate, or expand its  
18 authority to include, workforce recruitment or training.

19 (b) The commission may combine the information required by  
20 this section with the reports prepared pursuant to Article 16  
21 (commencing with Section 399.11) of Chapter 2.3.

22 ~~SEC. 27.~~

23 *SEC. 28.* Section 910 is added to the Public Utilities Code, to  
24 read:

25 910. The commission shall do all of the following:

26 (a) Develop, publish, and annually update an annual workplan  
27 that describes in clear detail the scheduled ratemaking proceedings  
28 and other decisions that may be considered by the commission  
29 during the calendar year. The plan shall include, but is not limited  
30 to, information on how members of the public and ratepayers can  
31 gain access to the commission's ratemaking process and  
32 information regarding the specific matters to be decided. The plan  
33 shall also include information on the operation of the office of the  
34 public advisor and identify the names and telephone numbers of  
35 those contact persons responsible for specific cases and matters  
36 to be decided. The plan shall also include a statement that specifies  
37 activities that the commission proposes to reduce the costs of, and  
38 rates for, energy, including electricity, and for improving the  
39 competitive opportunities for state agriculture and other rural  
40 energy consumers. The commission shall post the plan under the

1 Official Documents area of its Internet Web site and shall develop  
2 a program to disseminate the information in the plan utilizing  
3 computer mailing lists to provide regular updates on the  
4 information to those members of the public and organizations that  
5 request the information.

6 (b) Produce a complete accounting of its transactions and  
7 proceedings for the preceding year, together with other facts,  
8 suggestions, and recommendations that it deems of value to the  
9 people of the state, and a statement that specifies the activities and  
10 achievements of the commission in reducing the costs of, and rates  
11 for, energy, including electricity, for state agriculture and other  
12 rural energy consumers.

13 ~~(e) Create a report on the number of cases where resolution~~  
14 ~~exceeded the time periods prescribed in scoping memos and the~~  
15 ~~days that commissioners presided in hearings.~~

16 ~~(d)~~

17 (c) Submit annually the plan, accounting, and report required  
18 by subdivisions ~~(a), (b)~~, (a) and (c) to the Governor and Legislature  
19 no later than February 1 of each year. A report to be submitted  
20 pursuant to this subdivision shall be submitted in compliance with  
21 Section 9795 of the Government Code.

22 SEC. 29. Section 910.1 is added to the Public Utilities Code,  
23 to read:

24 910.1. The commission shall annually submit a report to the  
25 Legislature on the number of cases where resolution exceeded the  
26 time periods prescribed in scoping memos and the days that  
27 commissioners presided in hearings.

28 SEC. 28.

29 SEC. 30. Section ~~910.4~~910.3 is added to the Public Utilities  
30 Code, to read:

31 ~~910.4.~~

32 910.3. (a) The commission shall provide a report to the  
33 Legislature on September 1 of each year, on the progress of  
34 activities undertaken by each electrical, gas, water, wireless  
35 telecommunications service provider, and telephone corporation  
36 with gross annual revenues exceeding twenty-five million dollars  
37 (\$25,000,000), in the implementation of women, minority, disabled  
38 veteran, and LGBT business enterprise development programs  
39 pursuant to Article 5 (commencing with Section 8281) of Chapter  
40 7 of Division 4. The report shall include information about which

1 procurements are made with women, minority, disabled veteran,  
2 and LGBT business enterprises with at least a majority of the  
3 enterprise's workforce in California, to the extent that information  
4 is readily accessible. The commission shall recommend a program  
5 for carrying out the policy declared in Article 5 (commencing with  
6 Section 8281) of Chapter 7 of Division 4, together with  
7 recommendations for legislation that it deems necessary or  
8 desirable to further that policy. The commission shall make the  
9 report available on its Internet Web site.

10 (b) In regard to disabled veteran business enterprises, the  
11 commission shall ensure that the programs and legislation  
12 recommended pursuant to subdivision (a) are consistent with the  
13 disabled veteran business enterprise certification eligibility  
14 requirements imposed by the Department of General Services and  
15 that the recommendations include only those disabled veteran  
16 business enterprises certified by the Department of General  
17 Services.

18 (c) The commission shall include the information about LGBT  
19 business enterprises required by subdivision (a) beginning with  
20 the report due on September 1, 2016.

21 ~~SEC. 29.~~

22 *SEC. 31.* Section ~~910.7~~*910.6* is added to the Public Utilities  
23 Code, to read:

24 ~~910.7.~~

25 *910.6.* It is the intent of the Legislature that, commencing one  
26 year from the date that the procedures described in subdivision (a)  
27 of Section 311.4 are implemented, the commission annually review  
28 the procedures and the technology involved to ensure the continued  
29 effectiveness of the program, and report any findings to the  
30 Legislature.

31 ~~SEC. 30.~~

32 *SEC. 32.* Section 911 of the Public Utilities Code is amended  
33 and renumbered to read:

34 913.4. (a) Notwithstanding subdivision (g) of Section 454.5  
35 and Section 583, no later than May 1 of each year, the commission  
36 shall release to the Legislature the costs of all electricity  
37 procurement contracts for eligible renewable energy resources,  
38 including unbundled renewable energy credits, and all costs for  
39 utility-owned generation approved by the commission. The first  
40 report shall include all costs commencing January 1, 2003.

1 Subsequent reports shall include only costs for the preceding  
2 calendar year.

3 (1) For power purchase contracts, the commission shall release  
4 costs in an aggregated form categorized according to the year the  
5 procurement transaction was approved by the commission, the  
6 eligible renewable energy resource type, including bundled  
7 renewable energy credits, the average executed contract price, and  
8 average actual recorded costs for each kilowatthour of production.  
9 Within each renewable energy resource type, the commission shall  
10 provide aggregated costs for different project size thresholds.

11 (2) For each utility-owned renewable generation project, the  
12 commission shall release the costs forecast by the electrical  
13 corporation at the time of initial approval and the actual recorded  
14 costs for each kilowatthour of production during the preceding  
15 calendar year.

16 (b) This section does not require the release of the terms of any  
17 individual electricity procurement contracts for eligible renewable  
18 energy resources, including unbundled renewable energy credits,  
19 approved by the commission. The commission shall aggregate  
20 data to the extent required to ensure protection of the confidentiality  
21 of individual contract costs even if this aggregation requires  
22 grouping contracts of different energy resource type. The  
23 commission shall not be required to release the data in any year  
24 when there are fewer than three contracts approved.

25 (c) The commission may combine the information required by  
26 this section with the report prepared pursuant to Section 913.3.

27 *SEC. 33. Section 911.1 is added to the Public Utilities Code,*  
28 *to read:*

29 *911.1. An action taken by the commission on a safety*  
30 *recommendation letter or advisory bulletin concerning gas pipeline*  
31 *safety issued by the federal National Transportation Safety Board*  
32 *(NTSB) shall be reported annually, in detail, to the Legislature*  
33 *with the report required by Section 910. Correspondence from the*  
34 *NTSB that indicates that a recommendation of the NTSB has been*  
35 *closed following an action that the NTSB finds unacceptable shall*  
36 *be noted in the report required by Section 910.*

37 *SEC. 34. Section 912 is added to the Public Utilities Code, to*  
38 *read:*

39 *912. A summary of the audits conducted by the commission*  
40 *pursuant to Section 314.5 shall be provided annually to the*

1 *Legislature. The commission may provide this information as part*  
2 *of its annual report delivered pursuant to Section 910.*

3 ~~SEC. 31.~~

4 *SEC. 35.* Section 912.2 is added to the Public Utilities Code,  
5 to read:

6 912.2. (a) The commission shall conduct two interim financial  
7 audits and a final financial audit and two interim performance  
8 audits and a final performance audit of the implementation and  
9 effectiveness of the California Advanced Services Fund to ensure  
10 that funds have been expended in accordance with the approved  
11 terms of the grant awards and loan agreements pursuant to Section  
12 281. The commission shall report its interim findings to the  
13 Legislature by April 1, 2011, and April 1, 2017. The commission  
14 shall report its final findings to the Legislature by April 1, 2021.  
15 The reports shall also include an update to the maps in the final  
16 report of the California Broadband Task Force and data on the  
17 types and numbers of jobs created as a result of the program  
18 administered by the commission pursuant to Section 281.

19 (b) Pursuant to Section 10231.5 of the Government Code, this  
20 section is repealed on January 1, 2022.

21 ~~SEC. 32.~~

22 *SEC. 36.* Section 913 is added to the Public Utilities Code, to  
23 read:

24 913. (a) The reporting requirements of this section apply to  
25 electrical corporations with at least 1,000,000 retail customers in  
26 California and gas corporations with at least 500,000 retail  
27 customers in California.

28 (b) The commission shall prepare a written report on the costs  
29 of programs and activities conducted by each electrical corporation  
30 and gas corporation that is subject to this section, including  
31 activities conducted to comply with their duty to serve. The report  
32 shall be completed on an annual basis before April 1 of each year,  
33 and shall identify, clearly and concisely, all of the following:

34 (1) Each program mandated by statute and its annual cost to  
35 ratepayers.

36 (2) Each program mandated by the commission and its annual  
37 cost to ratepayers.

38 (3) Energy purchase contract costs and bond-related costs  
39 incurred pursuant to Division 27 (commencing with Section 80000)  
40 of the Water Code.

(4) All other aggregated categories of costs currently recovered in retail rates as determined by the commission.

(c) The report required by subdivision (b) shall be submitted to the Governor and the Legislature no later than April 1 of each year.

(d) The commission shall post the report required by subdivision (b) in a conspicuous area of its Internet Web site.

*SEC. 37. Section 913.2 is added to the Public Utilities Code, to read:*

*913.2. The commission shall, on or before the end of the first month of each quarter, submit to the relevant fiscal and policy committees of each house of the Legislature, a report on its activities related to community choice aggregation. The report shall include detailed information on the formal procedures established by the commission in order to monitor and ensure compliance by electrical corporations with Section 366.2 and any code of conduct or associated rules adopted by the commission pursuant to Section 707. The report shall include, but not be limited to, all of the following information:*

*(a) (1) A detailed description of the commission's process for enabling communities interested in becoming community choice aggregators, communities currently in the process of becoming community choice aggregators, and existing community choice aggregators to obtain timely utility compliance with paragraph (9) of subdivision (c) of Section 366.2.*

*(2) The description shall include the process provided by the commission to allow prospective or existing community choice aggregators to identify specific matters on which the electrical corporation is not considered to be cooperating fully. For each identified matter, the prospective or existing community choice aggregator shall detail in writing the issue, the lack of full cooperation, and the personnel at the electrical corporation with whom the community choice aggregator is working. The electrical corporation shall be required to respond in writing by providing a specific solution to the matter raised by the prospective or existing community choice aggregator, including a date-specific timeline for accomplishing the solution, and the names of personnel responsible for providing the solution.*

*(3) The commission's report to the Legislature shall provide a detailed summary of each matter identified and initiated by the community choice aggregator, and a detailed verification of the*



1 *electrical corporation's actions taken to address and resolve these*  
2 *issues, including verification of the satisfaction of the community*  
3 *choice aggregator. The report shall also itemize any matters that*  
4 *have been improperly raised by the community choice aggregator*  
5 *using this process.*

6 *(b) A detailed description of information obtained by the*  
7 *commission from the electrical corporations in order to monitor*  
8 *the electrical corporations' activities and expenditures made to*  
9 *facilitate, or oppose, community choice aggregation. The*  
10 *information shall include an itemization of all activities undertaken*  
11 *by an electrical corporation, as identified by the commission or*  
12 *by a community pursuing community choice aggregation, the costs*  
13 *of those activities, and whether the costs were paid by ratepayers*  
14 *or shareholders of the electrical corporation. For each activity,*  
15 *the commission shall provide a detailed explanation as to whether*  
16 *the activity or expenditure is legally permissible, and, if not, of the*  
17 *actions taken by the commission in response.*

18 *(c) A detailed description of the actions taken by the commission*  
19 *to ensure customer requirements relative to customers exercising*  
20 *their option not to participate in community choice aggregation*  
21 *pursuant to Section 366.2 are properly implemented and to ensure*  
22 *full compliance by an electrical corporation. The description shall*  
23 *include an itemization of all actions taken by the commission to*  
24 *ensure compliance with these requirements and a detailed*  
25 *description of the commission's formal process for monitoring*  
26 *and ensuring timely compliance with the requirements.*

27 ~~SEC. 33.~~

28 *SEC. 38.* Section 913.5 is added to the Public Utilities Code,  
29 to read:

30 913.5. In order to evaluate the progress of the state's electrical  
31 corporations in complying with the California Renewables Portfolio  
32 Standard Program (Article 16 (commencing with Section 399.11)  
33 of Chapter 2.3), the commission shall report to the Legislature on  
34 or before the first day of each quarter on all of the following:

35 (a) The progress of each electrical corporation in meeting the  
36 renewables portfolio standard, as defined in Section 399.12.

37 (b) For each electrical corporation, an implementation schedule  
38 to achieve the renewables portfolio standard procurement  
39 requirements, including all substantive actions that have been taken  
40 or will be taken to achieve the program procurement requirements.

(c) Any renewable energy procurement plan approved by the commission pursuant to Section 399.13, schedule, and status report for all substantive procurement, transmission development, and other activities that the commission has approved to be undertaken by an electrical corporation to achieve the procurement requirements of the renewables portfolio standard.

~~SEC. 34. Section 913.8 is added to the Public Utilities Code, to read:~~

~~913.8. In the report prepared pursuant to Section 913.7, the commission shall include an assessment of each electrical corporation's and each gas corporation's implementation of the program developed pursuant to Section 25943 of the Public Resources Code.~~

~~SEC. 35.~~

~~SEC. 39. Section 913.12 is added to the Public Utilities Code, to read:~~

~~913.12. The commission shall provide a progress report to the Legislature by January 30 of each odd-numbered year concerning policies on rates, equipment, and infrastructure implemented by the commission and other state agencies, federal and local governmental agencies, and private industry to facilitate the use of electricity to power, and natural gas to fuel, low-emission vehicles.~~

~~SEC. 36.~~

~~SEC. 40. Section 913.13 is added to the Public Utilities Code, to read:~~

~~913.13. On or before June 30 of each year, the commission shall submit to the Legislature an assessment of the success of the California Solar Initiative program. That assessment shall include the number of residential and commercial sites that have installed solar thermal devices for which an award was made pursuant to subdivision (b) of Section 2851 and the dollar value of the award, the number of residential and commercial sites that have installed solar energy systems, the electrical generating capacity of the installed solar energy systems, the cost of the program, total electrical system benefits, including the effect on electrical service rates, environmental benefits, how the program affects the operation and reliability of the electrical grid, how the program has affected peak demand for electricity, the progress made toward reaching the goals of the program, whether the program is on~~

1 schedule to meet the program goals, and recommendations for  
2 improving the program to meet its goals. If the commission  
3 allocates additional moneys to research, development, and  
4 demonstration that explores solar technologies and other distributed  
5 generation technologies pursuant to paragraph (1) of subdivision  
6 (c) of Section 2851, the commission shall include in the assessment  
7 submitted to the Legislature, a description of the program, a  
8 summary of each award made or project funded pursuant to the  
9 program, including the intended purposes to be achieved by the  
10 particular award or project, and the results of each award or project.

11 ~~SEC. 37.~~

12 *SEC. 41.* Section 913.14 is added to the Public Utilities Code,  
13 to read:

14 913.14. The commission shall annually report to the Legislature  
15 on its implementation of Section 785.

16 ~~SEC. 38.~~ Section 913.15 is added to the Public Utilities Code,  
17 to read:

18 ~~913.15.— An action taken by the commission on a safety~~  
19 ~~recommendation letter or advisory bulletin concerning gas pipeline~~  
20 ~~safety issued by the federal National Transportation Safety Board~~  
21 ~~(NTSB) shall be reported annually, in detail, to the Legislature~~  
22 ~~with the report required by Section 910. Correspondence from the~~  
23 ~~NTSB that indicates that a recommendation of the NTSB has been~~  
24 ~~closed following an action that the NTSB finds unacceptable shall~~  
25 ~~be noted in the report required by Section 910.~~

26 ~~SEC. 39.~~

27 *SEC. 42.* Section 914 is added to the Public Utilities Code, to  
28 read:

29 914. The commission shall annually report the information  
30 required to be reported by public utilities pursuant to Section 7912,  
31 to the Assembly Committee on Utilities and Commerce and the  
32 Senate Committee on Energy, Utilities and Communications, or  
33 their successor committees, and within a reasonable time thereafter,  
34 shall make the information available to the public on its Internet  
35 Web site.

36 ~~SEC. 40.~~

37 *SEC. 43.* Section 914.1 is added to the Public Utilities Code,  
38 to read:

39 914.1. The commission shall annually report to the Legislature,  
40 in a document that can be made public, information relative to the

1 actions undertaken by the commission implementing the lifeline  
2 telecommunications universal service program pursuant to  
3 subdivision (a) of Section 873.

4 ~~SEC. 41.~~

5 *SEC. 44.* Section 914.2 is added to the Public Utilities Code,  
6 to read:

7 914.2. The commission, in its annual report prepared pursuant  
8 to Section 914.1, shall assess whether having telephone  
9 corporations provide the name and address of its lifeline customers  
10 to other public utilities for the purpose of low-income ratepayer  
11 assistance outreach efforts has been helpful in the low-income  
12 ratepayer assistance outreach efforts.

13 ~~SEC. 42.~~

14 *SEC. 45.* Section 914.3 is added to the Public Utilities Code,  
15 to read:

16 914.3. By July 1 of each year, the commission shall submit to  
17 the Governor and the Legislature a report that includes, based on  
18 yearend data, on an aggregated basis, the information submitted  
19 by holders pursuant to subdivision (b) of Section 5960. All  
20 information ~~submitted to the commission and~~ reported by the  
21 commission pursuant to this section shall be disclosed to the public  
22 only as provided for pursuant to Section 583. No individually  
23 identifiable customer or subscriber information shall be subject to  
24 public disclosure.

25 ~~SEC. 43.~~

26 *SEC. 46.* Section 914.4 is added to the Public Utilities Code,  
27 to read:

28 914.4. The commission shall annually report the information  
29 required to be reported by holders of state franchises pursuant to  
30 Section 5920, to the Assembly Committee on Utilities and  
31 Commerce and the Senate Committee on Energy, Utilities and  
32 Communications, or their successor committees, and within a  
33 reasonable time thereafter, shall make the information available  
34 to the public on its Internet Web site.

35 ~~SEC. 44.~~

36 *SEC. 47.* Section 914.5 is added to the Public Utilities Code,  
37 to read:

38 914.5. (a) The commission shall prepare and submit to the  
39 Legislature, on or before March 1 of each year, a report on the  
40 fiscal status of the programs established and funded pursuant to

Sections 2881, 2881.1, and 2881.2. The report shall include a statement of the surcharge level established pursuant to subdivision (g) of Section 2881 and revenues produced by the surcharge, an accounting of program expenses, and an evaluation of options for controlling those expenses and increasing program efficiency, including, but not limited to, all of the following proposals:

(1) The establishment of a means test for persons to qualify for program equipment or free or reduced charges for the use of telecommunication services.

(2) If and to the extent not prohibited under Section 401 of the federal Americans with Disabilities Act of 1990 (Public Law 101-336), as amended (47 U.S.C. Sec. 225), the imposition of limits or other restrictions on maximum usage levels for the relay service, which shall include the development of a program to provide basic communications requirements to all relay users at discounted rates, including discounted toll-call rates, and, for usage in excess of those basic requirements, at rates that recover the full costs of service.

(3) More efficient means for obtaining and distributing equipment to qualified subscribers.

(4) The establishment of quality standards for increasing the efficiency of the relay system.

(5) Any modification to the program in order to maximize participation and funding opportunity under similar federal programs.

(b) Pursuant to Section 10231.5 of the Government Code, this section is repealed on January 1, 2021.

~~SEC. 45.~~

*SEC. 48.* Section 914.6 is added to the Public Utilities Code, to read:

914.6. The commission shall report to the Legislature and the Governor annually on the effectiveness of the program administered pursuant to subdivision (c) of Section 280.5.

~~SEC. 46.~~

*SEC. 49.* Section 914.7 is added to the Public Utilities Code, to read:

914.7. (a) By January 1 of each year, the commission shall provide a report to the Legislature that includes all of the following information:

1 (1) The amount of funds expended from the California Advanced  
2 Services Fund in the prior year.

3 (2) The recipients of funds expended from the California  
4 Advanced Services Fund in the prior year.

5 (3) The geographic regions of the state affected by funds  
6 expended from the California Advanced Services Fund in the prior  
7 year.

8 (4) The expected benefits to be derived from the funds expended  
9 from the California Advanced Services Fund in the prior year.

10 (5) Actual broadband adoption levels from the funds expended  
11 from the California Advanced Services Fund in the prior year.

12 (6) The amount of funds expended from the California Advanced  
13 Services Fund used to match federal funds.

14 (7) An update on the expenditures from California Advanced  
15 Services Fund and broadband adoption levels, and an accounting  
16 of remaining unserved and underserved households and areas of  
17 the state.

18 (8) The status of the California Advanced Services Fund balance  
19 and the projected amount to be collected in each year through 2020  
20 to fund approved projects.

21 (b) Pursuant to Section 10231.5 of the Government Code, this  
22 section is repealed on January 1, 2021.

23 ~~SEC. 47.~~

24 *SEC. 50.* Section 915 of the Public Utilities Code is amended  
25 and renumbered to read:

26 911. (a) Beginning February 1, 2016, the commission shall  
27 annually publish a report that includes all investigations into gas  
28 or electric service safety incidents reported, pursuant to commission  
29 requirements, by any gas corporation or electrical corporation. The  
30 report shall succinctly describe each safety investigation concluded  
31 during the prior calendar year and each investigation that remains  
32 open. The categories within the description shall include the month  
33 of the safety incident, the reason for the investigation, the facility  
34 type involved, and the owner of the facility.

35 (b) The commission shall include in its workplan, required  
36 pursuant to Section 910, a summary of the staff safety  
37 investigations concluded during the prior calendar year and the  
38 staff safety investigations that remain open for any gas corporation  
39 or electrical corporation, with a link to the Internet Web site with

1 the report that contains the information required pursuant to  
2 subdivision (a).

3 ~~SEC. 48.~~

4 *SEC. 51.* Section 916 is added to the Public Utilities Code, to  
5 read:

6 916. On or before November 30 of each year, the commission  
7 shall report to the Legislature on its rail safety activities.

8 ~~SEC. 49.~~

9 *SEC. 52.* Section 916.1 is added to the Public Utilities Code,  
10 to read:

11 916.1. ~~The division of the commission responsible for consumer~~  
12 ~~protection and safety shall investigate~~ *commission shall annually*  
13 *report the results of its investigation pursuant to subdivision (d)*  
14 *of Section 7661 relative to any incident that results in a notification*  
15 *required pursuant to subdivision (b) of Section 7661, and shall*  
16 *report including its findings concerning the cause or causes to the*  
17 ~~commission. of the incident and any action undertaken by the~~  
18 ~~commission in response to those findings. The commission shall~~  
19 ~~include the division's report may include the information required~~  
20 *to be reported pursuant to this section in its report to the*  
21 *Legislature pursuant to Section 916.2. 916.*

22 ~~SEC. 50.~~

23 *SEC. 53.* Section 916.4 is added to the Public Utilities Code,  
24 to read:

25 916.4. An action taken by the commission on a safety  
26 recommendation letter or safety advisory pursuant to Section 765  
27 shall be reported annually, in detail, to the Legislature with the  
28 report required by Section 910. Correspondence from the federal  
29 National Transportation Safety Board indicating that a  
30 recommendation has been closed following an action that the  
31 federal National Transportation Safety Board finds unacceptable  
32 shall be noted in the report required by Section 910.

33 ~~SEC. 51.~~ Section 919 is added to the Public Utilities Code, to  
34 read:

35 919. ~~The Independent System Operator shall report to the~~  
36 ~~Oversight Board, at such times as the Oversight Board may specify,~~  
37 ~~on the development and implementation of the standards in relation~~  
38 ~~to facilities under the operational control of the Independent System~~  
39 ~~Operator. The Independent System Operator shall require each~~  
40 ~~transmission facility owner or operator to report annually on its~~

1 compliance with the standards. That report shall be made available  
2 to the public.

3 ~~SEC. 52.~~ Section 919.1 is added to the Public Utilities Code,  
4 to read:

5 919.1. The commission shall require each electrical corporation  
6 to report annually on its compliance with the standards or rules  
7 adopted by the commission pursuant to Section 364. That report  
8 shall be made available to the public, except that the commission  
9 may, consistent with other provisions of law, withhold from the  
10 public information generated or obtained pursuant to this section  
11 that it deems would pose a security threat to the public if disclosed.

12 ~~SEC. 53.~~

13 ~~SEC. 54.~~ Section 919.2919 is added to the Public Utilities Code,  
14 to read:

15 919.2.

16 919. (a) The Antelope Valley Fairgrounds shall submit biennial  
17 reports to the commission and to the Legislature relative to the  
18 Antelope Valley Fairgrounds EE and PV Synergy Demonstration  
19 Project. The reports shall include actual recorded electricity usage  
20 by the fairgrounds and electricity produced by the photovoltaic  
21 solar energy system at the fairgrounds, on a time-of-use basis. A  
22 final report shall be submitted to the commission and to the  
23 Legislature within six months of the conclusion of the  
24 demonstration project. The final report shall include an analysis  
25 of the energy and cost savings achieved at the fairgrounds, the  
26 effectiveness of combining investment in energy efficiency and a  
27 photovoltaic solar energy system on the same site, the performance  
28 and durability of the photovoltaic solar energy system over the life  
29 of the demonstration project, and recommendations for optimizing  
30 ratepayer investment in energy efficiency and photovoltaic solar  
31 energy systems.

32 (b) This section shall remain in effect only until January 1, 2017,  
33 and as of that date is repealed, unless a later enacted statute, that  
34 is enacted before January 1, 2017, deletes or extends that date.

35 ~~SEC. 55.~~ Section 920 is added to the Public Utilities Code, to  
36 read:

37 920. (a) (1) *Unless expressly directed otherwise, a report to*  
38 *be submitted to the Legislature pursuant to this article is to be*  
39 *submitted in compliance with Section 9795 of the Government*  
40 *Code, except that an electronic copy may be submitted to the*



1 *Secretary of the Senate, unless specifically requested to submit a*  
2 *printed copy of the report, with an electronic copy submitted to*  
3 *Legislative Counsel in compliance with subdivision (c) of Section*  
4 *10242.5 of the Government Code.*

5 (2) *Any report that is expressly directed to be submitted to a*  
6 *committee of the Legislature shall be submitted as an electronic*  
7 *copy, unless specifically requested to submit a printed copy by*  
8 *chair of that committee, with an electronic copy submitted to*  
9 *Legislative Counsel in compliance with subdivision (c) of Section*  
10 *10242.5 of the Government Code.*

11 (b) *Any report required to be submitted to the Governor*  
12 *pursuant to this article shall be submitted as an electronic copy*  
13 *unless specifically requested to submit a printed copy of the report*  
14 *by the Governor.*

15 ~~SEC. 54.~~

16 SEC. 56. Section 958.5 of the Public Utilities Code is amended  
17 to read:

18 958.5. (a) Twice a year, or as determined by the commission,  
19 each gas corporation shall file with the division of the commission  
20 responsible for consumer protection and safety a gas transmission  
21 and storage safety report. The division of the commission  
22 responsible for consumer protection and safety shall review the  
23 reports to monitor each gas corporation's storage and  
24 pipeline-related activities to assess whether the projects that have  
25 been identified as high risk are being carried out, and to track  
26 whether the gas corporation is spending its allocated funds on these  
27 storage and pipeline-related safety, reliability, and integrity  
28 activities for which they have received approval from the  
29 commission.

30 (b) The gas transmission and storage safety report shall include  
31 a thorough description and explanation of the strategic planning  
32 and decisionmaking approach used to determine and rank the gas  
33 storage projects, intrastate transmission line safety, integrity, and  
34 reliability, operation and maintenance activities, and inspections  
35 of its intrastate transmission lines. If there has been no change in  
36 the gas corporation's approach for determining and ranking which  
37 projects and activities are prioritized since the previous gas  
38 transmission and storage safety report, the subsequent report may  
39 reference the immediately preceding report.

(c) If the division of the commission responsible for consumer protection and safety determines that there is a deficiency in a gas corporation's prioritization or administration of the storage or pipeline capital projects or operation and maintenance activities, the division shall bring the problems to the commission's immediate attention.

~~SEC. 55.~~

*SEC. 57.* Section 960 of the Public Utilities Code is amended to read:

960. (a) When the federal National Transportation Safety Board (NTSB) submits a safety recommendation letter concerning gas pipeline safety to the commission, the commission shall provide the NTSB with a formal written response to each recommendation not later than 90 days after receiving the letter. The response shall state one of the following:

(1) The commission's intent to implement the recommendations in full, with a proposed timetable for implementation of the recommendations.

(2) The commission's intent to implement part of the recommendations, with a proposed timetable for implementation of those recommendations, and detailed reasons for the commission's refusal to implement those recommendations that the commission does not intend to implement.

(3) The commission's refusal to implement the recommendations, with detailed reasons for the commission's refusal to implement the recommendations.

(b) If the NTSB issues a safety recommendation letter concerning any commission-regulated gas pipeline facility to the United States Department of Transportation, the federal Pipeline and Hazardous Materials Safety Administration (PHMSA), a gas corporation, or the commission, or the PHMSA issues an advisory bulletin concerning any commission-regulated gas pipeline facility, the commission shall determine if implementation of the recommendation or advisory is appropriate. The basis for the commission's determination shall be detailed in writing and shall be approved by a majority vote of the commission.

(c) If the commission determines that a safety recommendation made by the NTSB is appropriate or that action concerning an advisory bulletin is necessary, the commission shall issue orders or adopt rules to implement the safety recommendation or advisory

1 as soon as practicable. In implementing the safety recommendation  
2 or advisory, the commission shall consider whether a more  
3 effective, or equally effective and less costly, alternative exists to  
4 address the safety issue that the recommendation or advisory  
5 addresses.

6 ~~SEC. 56.~~

7 *SEC. 58.* Section 2851 of the Public Utilities Code, as amended  
8 by Section 41 of Chapter 24 of the Statutes of 2015, is amended  
9 to read:

10 2851. (a) In implementing the California Solar Initiative, the  
11 commission shall do all of the following:

12 (1) (A) The commission shall authorize the award of monetary  
13 incentives for up to the first megawatt of alternating current  
14 generated by solar energy systems that meet the eligibility criteria  
15 established by the Energy Commission pursuant to Chapter 8.8  
16 (commencing with Section 25780) of Division 15 of the Public  
17 Resources Code. The commission shall determine the eligibility  
18 of a solar energy system, as defined in Section 25781 of the Public  
19 Resources Code, to receive monetary incentives until the time the  
20 Energy Commission establishes eligibility criteria pursuant to  
21 Section 25782. Monetary incentives shall not be awarded for solar  
22 energy systems that do not meet the eligibility criteria. The  
23 incentive level authorized by the commission shall decline each  
24 year following implementation of the California Solar Initiative,  
25 at a rate of no less than an average of 7 percent per year, and,  
26 except as provided in subparagraph (B), shall be zero as of  
27 December 31, 2016. The commission shall adopt and publish a  
28 schedule of declining incentive levels no less than 30 days in  
29 advance of the first decline in incentive levels. The commission  
30 may develop incentives based upon the output of electricity from  
31 the system, provided those incentives are consistent with the  
32 declining incentive levels of this paragraph and the incentives  
33 apply to only the first megawatt of electricity generated by the  
34 system.

35 (B) The incentive level for the installation of a solar energy  
36 system pursuant to Section 2852 shall be zero as of December 31,  
37 2021.

38 (2) The commission shall adopt a performance-based incentive  
39 program so that by January 1, 2008, 100 percent of incentives for  
40 solar energy systems of 100 kilowatts or greater and at least 50

1 percent of incentives for solar energy systems of 30 kilowatts or  
2 greater are earned based on the actual electrical output of the solar  
3 energy systems. The commission shall encourage, and may require,  
4 performance-based incentives for solar energy systems of less than  
5 30 kilowatts. Performance-based incentives shall decline at a rate  
6 of no less than an average of 7 percent per year. In developing the  
7 performance-based incentives, the commission may:

8 (A) Apply performance-based incentives only to customer  
9 classes designated by the commission.

10 (B) Design the performance-based incentives so that customers  
11 may receive a higher level of incentives than under incentives  
12 based on installed electrical capacity.

13 (C) Develop financing options that help offset the installation  
14 costs of the solar energy system, provided that this financing is  
15 ultimately repaid in full by the consumer or through the application  
16 of the performance-based rebates.

17 (3) By January 1, 2008, the commission, in consultation with  
18 the Energy Commission, shall require reasonable and cost-effective  
19 energy efficiency improvements in existing buildings as a condition  
20 of providing incentives for eligible solar energy systems, with  
21 appropriate exemptions or limitations to accommodate the limited  
22 financial resources of low-income residential housing.

23 (4) Notwithstanding subdivision (g) of Section 2827, the  
24 commission may develop a time-variant tariff that creates the  
25 maximum incentive for ratepayers to install solar energy systems  
26 so that the system's peak electricity production coincides with  
27 California's peak electricity demands and that ensures that  
28 ratepayers receive due value for their contribution to the purchase  
29 of solar energy systems and customers with solar energy systems  
30 continue to have an incentive to use electricity efficiently. In  
31 developing the time-variant tariff, the commission may exclude  
32 customers participating in the tariff from the rate cap for residential  
33 customers for existing baseline quantities or usage by those  
34 customers of up to 130 percent of existing baseline quantities, as  
35 required by Section 739.9. Nothing in this paragraph authorizes  
36 the commission to require time-variant pricing for ratepayers  
37 without a solar energy system.

38 (b) Notwithstanding subdivision (a), in implementing the  
39 California Solar Initiative, the commission may authorize the award  
40 of monetary incentives for solar thermal and solar water heating

1 devices, in a total amount up to one hundred million eight hundred  
2 thousand dollars (\$100,800,000).

3 (c) (1) In implementing the California Solar Initiative, the  
4 commission shall not allocate more than fifty million dollars  
5 (\$50,000,000) to research, development, and demonstration that  
6 explores solar technologies and other distributed generation  
7 technologies that employ or could employ solar energy for  
8 generation or storage of electricity or to offset natural gas usage.  
9 Any program that allocates additional moneys to research,  
10 development, and demonstration shall be developed in  
11 collaboration with the Energy Commission to ensure there is no  
12 duplication of efforts, and adopted by the commission through a  
13 rulemaking or other appropriate public proceeding. Any grant  
14 awarded by the commission for research, development, and  
15 demonstration shall be approved by the full commission at a public  
16 meeting. This subdivision does not prohibit the commission from  
17 continuing to allocate moneys to research, development, and  
18 demonstration pursuant to the self-generation incentive program  
19 for distributed generation resources originally established pursuant  
20 to Chapter 329 of the Statutes of 2000, as modified pursuant to  
21 Section 379.6.

22 (2) The Legislature finds and declares that a program that  
23 provides a stable source of monetary incentives for eligible solar  
24 energy systems will encourage private investment sufficient to  
25 make solar technologies cost effective.

26 (d) (1) The commission shall not impose any charge upon the  
27 consumption of natural gas, or upon natural gas ratepayers, to fund  
28 the California Solar Initiative.

29 (2) Notwithstanding any other provision of law, any charge  
30 imposed to fund the program adopted and implemented pursuant  
31 to this section shall be imposed upon all customers not participating  
32 in the California Alternate Rates for Energy (CARE) or family  
33 electric rate assistance (FERA) programs, including those  
34 residential customers subject to the rate limitation specified in  
35 Section 739.9 for existing baseline quantities or usage up to 130  
36 percent of existing baseline quantities of electricity.

37 (3) The costs of the program adopted and implemented pursuant  
38 to this section shall not be recovered from customers participating  
39 in the California Alternate Rates for Energy or CARE program  
40 established pursuant to Section 739.1, except to the extent that

1 program costs are recovered out of the nonbypassable system  
2 benefits charge authorized pursuant to Section 399.8.

3 (e) Except as provided in subdivision (f), in implementing the  
4 California Solar Initiative, the commission shall ensure that the  
5 total cost over the duration of the program does not exceed three  
6 billion five hundred fifty million eight hundred thousand dollars  
7 (\$3,550,800,000). Except as provided in subdivision (f), financial  
8 components of the California Solar Initiative shall consist of the  
9 following:

10 (1) Programs under the supervision of the commission funded  
11 by charges collected from customers of San Diego Gas and Electric  
12 Company, Southern California Edison Company, and Pacific Gas  
13 and Electric Company. Except as provided in subdivision (f), the  
14 total cost over the duration of these programs shall not exceed two  
15 billion three hundred sixty-six million eight hundred thousand  
16 dollars (\$2,366,800,000) and includes moneys collected directly  
17 into a tracking account for support of the California Solar Initiative.

18 (2) Programs adopted, implemented, and financed in the amount  
19 of seven hundred eighty-four million dollars (\$784,000,000), by  
20 charges collected by local publicly owned electric utilities pursuant  
21 to Section 2854. Nothing in this subdivision shall give the  
22 commission power and jurisdiction with respect to a local publicly  
23 owned electric utility or its customers.

24 (3) (A) Programs for the installation of solar energy systems  
25 on new construction (New Solar Homes Partnership Program),  
26 administered by the Energy Commission, and funded by charges  
27 in the amount of four hundred million dollars (\$400,000,000),  
28 collected from customers of San Diego Gas and Electric Company,  
29 Southern California Edison Company, and Pacific Gas and Electric  
30 Company. If the commission is notified by the Energy Commission  
31 that funding available pursuant to Section 25751 of the Public  
32 Resources Code for the New Solar Homes Partnership Program  
33 and any other funding for the purposes of this paragraph have been  
34 exhausted, the commission may require an electrical corporation  
35 to continue administration of the program pursuant to the guidelines  
36 established for the program by the Energy Commission, until the  
37 funding limit authorized by this paragraph has been reached. The  
38 commission may determine whether a third party, including the  
39 Energy Commission, should administer the utility's continuation  
40 of the New Solar Homes Partnership Program. The commission,

in consultation with the Energy Commission, shall supervise the administration of the continuation of the New Solar Homes Partnership Program by an electrical corporation or third-party administrator. After the exhaustion of funds, the Energy Commission shall notify the Joint Legislative Budget Committee 30 days prior to the continuation of the program. This subparagraph shall become inoperative on June 1, 2018.

(B) If the commission requires a continuation of the program pursuant to subparagraph (A), any funding made available pursuant to the continuation program shall be encumbered through the issuance of rebate reservations by no later than June 1, 2018, and disbursed by no later than December 31, 2021.

(4) The changes made to this subdivision by Chapter 39 of the Statutes of 2012 do not authorize the levy of a charge or any increase in the amount collected pursuant to any existing charge, nor do the changes add to, or detract from, the commission's existing authority to levy or increase charges.

(f) Upon the expenditure or reservation in any electrical corporation's service territory of the amount specified in paragraph (1) of subdivision (e) for low-income residential housing programs pursuant to subdivision (c) of Section 2852, the commission shall authorize the continued collection of the charge for the purposes of Section 2852. The commission shall ensure that the total amount collected pursuant to this subdivision does not exceed one hundred eight million dollars (\$108,000,000). Upon approval by the commission, an electrical corporation may use amounts collected pursuant to subdivision (e) for purposes of funding the general market portion of the California Solar Initiative, that remain unspent and unencumbered after December 31, 2016, to reduce the electrical corporation's portion of the total amount collected pursuant to this subdivision.

~~SEC. 57.~~

*SEC. 59.* Section 2881 of the Public Utilities Code is amended to read:

2881. (a) The commission shall design and implement a program to provide a telecommunications device capable of serving the needs of individuals who are deaf or hearing impaired, together with a single party line, at no charge additional to the basic exchange rate, to a subscriber who is certified as an individual who is deaf or hearing impaired by a licensed physician and

1 surgeon, audiologist, or a qualified state or federal agency, as  
2 determined by the commission, and to a subscriber that is an  
3 organization representing individuals who are deaf or hearing  
4 impaired, as determined and specified by the commission pursuant  
5 to subdivision (h). A licensed hearing aid dispenser may certify  
6 the need of an individual to participate in the program if that  
7 individual has been previously fitted with an amplified device by  
8 the dispenser and the dispenser has the individual's hearing records  
9 on file prior to certification. In addition, a physician assistant may  
10 certify the needs of an individual who has been diagnosed by a  
11 physician and surgeon as being deaf or hearing impaired to  
12 participate in the program after reviewing the medical records or  
13 copies of the medical records containing that diagnosis.

14 (b) The commission shall also design and implement a program  
15 to provide a dual-party relay system, using third-party intervention  
16 to connect individuals who are deaf or hearing impaired and offices  
17 of organizations representing individuals who are deaf or hearing  
18 impaired, as determined and specified by the commission pursuant  
19 to subdivision (h), with persons of normal hearing by way of  
20 intercommunications devices for individuals who are deaf or  
21 hearing impaired and the telephone system, making available  
22 reasonable access of all phases of public telephone service to  
23 telephone subscribers who are deaf or hearing impaired. In order  
24 to make a dual-party relay system that will meet the requirements  
25 of individuals who are deaf or hearing impaired available at a  
26 reasonable cost, the commission shall initiate an investigation,  
27 conduct public hearings to determine the most cost-effective  
28 method of providing dual-party relay service to the deaf or hearing  
29 impaired when using a telecommunications device, and solicit the  
30 advice, counsel, and physical assistance of statewide nonprofit  
31 consumer organizations of the deaf, during the development and  
32 implementation of the system. The commission shall apply for  
33 certification of this program under rules adopted by the Federal  
34 Communications Commission pursuant to Section 401 of the  
35 federal Americans with Disabilities Act of 1990 (Public Law  
36 101-336).

37 (c) The commission shall also design and implement a program  
38 whereby specialized or supplemental telephone communications  
39 equipment may be provided to subscribers who are certified to be  
40 disabled at no charge additional to the basic exchange rate. The



1 certification, including a statement of visual or medical need for  
2 specialized telecommunications equipment, shall be provided by  
3 a licensed optometrist, physician and surgeon, or physician  
4 assistant, acting within the scope of practice of his or her license,  
5 or by a qualified state or federal agency as determined by the  
6 commission. The commission shall, in this connection, study the  
7 feasibility of, and implement, if determined to be feasible, personal  
8 income criteria, in addition to the certification of disability, for  
9 determining a subscriber's eligibility under this subdivision.

10 (d) (1) The commission shall also design and implement a  
11 program to provide access to a speech-generating device to any  
12 subscriber who is certified as having a speech disability at no  
13 charge additional to the basic exchange rate. The certification shall  
14 be provided by a licensed physician, licensed speech-language  
15 pathologist, or qualified state or federal agency. The commission  
16 shall provide to a certified subscriber access to a speech-generating  
17 device that is all of the following:

18 (A) A telecommunications device or a device that includes a  
19 telecommunications component.

20 (B) Appropriate to meet the subscriber's needs for access to,  
21 and use of, the telephone network, based on the recommendation  
22 of a licensed speech-language pathologist.

23 (C) Consistent with the quality of speech-generating devices  
24 available for purchase in the state.

25 (2) The commission shall adopt rules to implement this  
26 subdivision and subdivision (e) by January 1, 2014.

27 (e) All of the following apply to any device or equipment  
28 described in this section that is classified as durable medical  
29 equipment under guidelines established by the United States  
30 Department of Health and Human Services:

31 (1) It is the intent of the Legislature that the commission be the  
32 provider of last resort and that eligible subscribers first obtain  
33 coverage from any available public or private insurance.

34 (2) The commission may require the subscriber to provide  
35 information about coverage for any or all of the cost of the device  
36 or equipment that is available from any public or private insurance,  
37 the cost to the subscriber of any deductible, copayment, or other  
38 relevant expense, and any related benefit cap information.

1 (3) The total cost of any device or equipment provided to a  
2 subscriber under this section shall not exceed the rate of  
3 reimbursement provided by Medi-Cal for that device or equipment.

4 (f) Nothing in this section requires the commission to provide  
5 training to a subscriber on the use of a speech-generating device.

6 (g) The commission shall establish a rate recovery mechanism  
7 through a surcharge not to exceed one-half of 1 percent uniformly  
8 applied to a subscriber's intrastate telephone service, other than  
9 one-way radio paging service and universal telephone service,  
10 both within a service area and between service areas, to allow  
11 providers of the equipment and service specified in subdivisions  
12 (a), (b), (c), and (d) to recover costs as they are incurred under this  
13 section. The surcharge shall be in effect until January 1, 2020. The  
14 commission shall require that the programs implemented under  
15 this section be identified on subscribers' bills, and shall establish  
16 a fund and require separate accounting for each of the programs  
17 implemented under this section.

18 (h) The commission shall determine and specify those statewide  
19 organizations representing the deaf or hearing impaired that shall  
20 receive a telecommunications device pursuant to subdivision (a)  
21 or a dual-party relay system pursuant to subdivision (b), or both,  
22 and in which offices the equipment shall be installed in the case  
23 of an organization having more than one office.

24 (i) The commission may direct a telephone corporation subject  
25 to its jurisdiction to comply with its determinations and  
26 specifications pursuant to this section.

27 (j) The commission shall annually review the surcharge level  
28 and the balances in the funds established pursuant to subdivision  
29 (g). Until January 1, 2020, the commission may make, within the  
30 limits set by subdivision (g), any necessary adjustments to the  
31 surcharge to ensure that the programs supported thereby are  
32 adequately funded and that the fund balances are not excessive. A  
33 fund balance that is projected to exceed six months' worth of  
34 projected expenses at the end of the fiscal year is excessive.

35 (k) In order to continue to meet the access needs of individuals  
36 with functional limitations of hearing, vision, movement,  
37 manipulation, speech, and interpretation of information, the  
38 commission shall perform ongoing assessment of, and if  
39 appropriate, expand the scope of the program to allow for

1 additional access capability consistent with evolving  
2 telecommunications technology.

3 (l) The commission shall structure the programs required by  
4 this section so that a charge imposed to promote the goals of  
5 universal service reasonably equals the value of the benefits of  
6 universal service to contributing entities and their subscribers.

7 ~~SEC. 58.~~

8 *SEC. 60.* Section 2891 of the Public Utilities Code is amended  
9 to read:

10 2891. (a) No telephone or telegraph corporation shall make  
11 available to any other person or corporation, without first obtaining  
12 the residential subscriber's consent, in writing, any of the following  
13 information:

14 (1) The subscriber's personal calling patterns, including any  
15 listing of the telephone or other access numbers called by the  
16 subscriber, but excluding the identification to the person called of  
17 the person calling and the telephone number from which the call  
18 was placed, subject to the restrictions in Section 2893, and also  
19 excluding billing information concerning the person calling which  
20 federal law or regulation requires a telephone corporation to  
21 provide to the person called.

22 (2) The residential subscriber's credit or other personal financial  
23 information, except when the corporation is ordered by the  
24 commission to provide this information to any electrical, gas, heat,  
25 telephone, telegraph, or water corporation, or centralized credit  
26 check system, for the purpose of determining the creditworthiness  
27 of new utility subscribers.

28 (3) The services which the residential subscriber purchases from  
29 the corporation or from independent suppliers of information  
30 services who use the corporation's telephone or telegraph line to  
31 provide service to the residential subscriber.

32 (4) Demographic information about individual residential  
33 subscribers, or aggregate information from which individual  
34 identities and characteristics have not been removed.

35 (b) Any residential subscriber who gives his or her written  
36 consent for the release of one or more of the categories of personal  
37 information specified in subdivision (a) shall be informed by the  
38 telephone or telegraph corporation regarding the identity of each  
39 person or corporation to whom the information has been released,  
40 upon written request. The corporation shall notify every residential

1 subscriber of the provisions of this subdivision whenever consent  
2 is requested pursuant to this subdivision.

3 (c) Any residential subscriber who has, pursuant to subdivision  
4 (b), given written consent for the release of one or more of the  
5 categories of personal information specified in subdivision (a) may  
6 rescind this consent upon submission of a written notice to the  
7 telephone or telegraph corporation. The corporation shall cease to  
8 make available any personal information about the subscriber,  
9 within 30 days following receipt of notice given pursuant to this  
10 subdivision.

11 (d) This section does not apply to any of the following:

12 (1) Information provided by residential subscribers for inclusion  
13 in the corporation's directory of subscribers.

14 (2) Information customarily provided by the corporation through  
15 directory assistance services.

16 (3) Postal ZIP Code information.

17 (4) Information provided under supervision of the commission  
18 to a collection agency by the telephone corporation exclusively  
19 for the collection of unpaid debts.

20 (5) Information provided to an emergency service agency  
21 responding to a 911 telephone call or any other call communicating  
22 an imminent threat to life or property.

23 (6) Information provided to a law enforcement agency in  
24 response to lawful process.

25 (7) Information which is required by the commission pursuant  
26 to its jurisdiction and control over telephone and telegraph  
27 corporations.

28 (8) Information transmitted between telephone or telegraph  
29 corporations pursuant to the furnishing of telephone service  
30 between or within service areas.

31 (9) Information required to be provided by the corporation  
32 pursuant to rules and orders of the commission or the Federal  
33 Communications Commission regarding the provision over  
34 telephone lines by parties other than the telephone and telegraph  
35 corporations of telephone or information services.

36 (10) The name and address of the lifeline customers of a  
37 telephone corporation provided by that telephone corporation to  
38 a public utility for the sole purpose of low-income ratepayer  
39 assistance outreach efforts. The telephone corporation receiving  
40 the information request pursuant to this paragraph may charge the

1 requesting utility for the cost of the search and release of the  
2 requested information.

3 (11) Information provided in response to a request pursuant to  
4 subdivision (a) of Section 530.8 of the Penal Code.

5 (e) Every violation is a grounds for a civil suit by the aggrieved  
6 residential subscriber against the telephone or telegraph corporation  
7 and its employees responsible for the violation.

8 (f) For purposes of this section, “access number” means a telex,  
9 teletex, facsimile, computer modem, or any other code which is  
10 used by a residential subscriber of a telephone or telegraph  
11 corporation to direct a communication to another subscriber of the  
12 same or another telephone or telegraph corporation.

13 ~~SEC. 59.~~

14 *SEC. 61.* Section 5006 of the Public Utilities Code is amended  
15 and renumbered to read:

16 918. The commission shall, within 30 days prior to  
17 commencement of the regular session of the Legislature, submit  
18 to the Governor a full and true report of transactions under Chapter  
19 6 (commencing with Section 5001) of Division 2 during the  
20 preceding biennium, including a complete statement of receipts  
21 and expenditures during the period.

22 ~~SEC. 60.~~

23 *SEC. 62.* Section 5012 of the Public Utilities Code is amended  
24 and renumbered to read:

25 912.1. The Public Utilities Commission shall conduct an audit  
26 of the expenditures of the funds received pursuant to Chapter 6  
27 (commencing with Section 5001) of Division 2 each fiscal year.  
28 The results of this audit shall be reported in writing, on or before  
29 February 15th of each year thereafter, with respect to the audit for  
30 the fiscal year ending on the previous June 30th, to the appropriate  
31 policy and budget committees of the respective houses of the  
32 Legislature.

33 ~~SEC. 61.~~

34 *SEC. 63.* Section 5385.5 of the Public Utilities Code is repealed.

35 ~~SEC. 62.~~

36 *SEC. 64.* Section 5387 of the Public Utilities Code is amended  
37 to read:

38 5387. (a) It is unlawful for the owner of a charter-party carrier  
39 of passengers to permit the operation of a vehicle upon a public  
40 highway for compensation without (1) having obtained from the

1 commission a certificate or permit pursuant to this chapter, (2)  
2 having complied with the vehicle identification requirements of  
3 Section 5385, and (3) having complied with the accident liability  
4 protection requirements of Section 5391.

5 (b) A person who drives a bus for a charter-party carrier without  
6 having a current and valid driver's license of the proper class, a  
7 passenger vehicle endorsement, or the required certificate shall be  
8 suspended from driving a bus of any kind, including, but not  
9 limited to, a bus, schoolbus, school pupil activity bus, or transit  
10 bus, with passengers for a period of five years pursuant to Section  
11 13369 of the Vehicle Code.

12 (c) (1) A charter-party carrier shall have its authority to operate  
13 as a charter-party carrier permanently revoked by the commission  
14 or be permanently barred from receiving a permit or certificate  
15 from the commission if it commits any of the following acts:

16 (A) Operates a bus without having been issued a permit or  
17 certificate from the commission.

18 (B) Operates a bus with a permit that was suspended by the  
19 commission pursuant to Section 5378.5.

20 (C) Commits three or more liability insurance violations within  
21 a two-year period for which it has been cited.

22 (D) Operates a bus with a permit that was suspended by the  
23 commission during a period that the charter-party carrier's liability  
24 insurance lapsed for which it has been cited.

25 (E) Knowingly employs a busdriver who does not have a current  
26 and valid driver's license of the proper class, a passenger vehicle  
27 endorsement, or the required certificate to drive a bus.

28 (F) Has one or more buses improperly registered with the  
29 Department of Motor Vehicles.

30 (2) The commission shall not issue a new permit or certificate  
31 to operate as a charter-party carrier if any officer, director, or owner  
32 of that charter-party carrier was an officer, director, or owner of  
33 a charter-party carrier that had its authority to operate as a  
34 charter-party carrier permanently revoked by the commission or  
35 that was permanently barred from receiving a permit or certificate  
36 from the commission pursuant to this subdivision.

37 (d) An officer of the Department of the California Highway  
38 Patrol may impound a bus of a charter-party carrier for 30 days  
39 pursuant to Section 14602.9 of the Vehicle Code if the officer

1 determines that any of the following violations occurred while the  
2 busdriver was operating the bus of a charter-party carrier:

3 (1) The driver was operating the bus of a charter-party carrier  
4 when the charter-party carrier did not have a permit or certificate  
5 issued by the commission.

6 (2) The driver was operating the bus of a charter-party carrier  
7 when the charter-party carrier was operating the bus with a  
8 suspended permit or certificate from the commission.

9 (3) The driver was operating the bus of a charter-party carrier  
10 without having a current and valid driver's license of the proper  
11 class, a passenger vehicle endorsement, or the required certificate.

12 ~~SEC. 63.~~

13 *SEC. 65.* Section 5920 of the Public Utilities Code is amended  
14 to read:

15 5920. A holder of a state franchise employing more than 750  
16 total employees in California shall annually report to the  
17 commission all of the following:

18 (a) The number of California residents employed by the holder,  
19 calculated on a full-time or full-time equivalent basis.

20 (b) The percentage of the holder's total domestic workforce,  
21 calculated on a full-time or full-time equivalent basis.

22 (c) The types and numbers of jobs by occupational classification  
23 held by residents of California employed by holders of state  
24 franchises and the average pay and benefits of those jobs and,  
25 separately, the number of out-of-state residents employed by  
26 independent contractors, companies, and consultants hired by the  
27 holder, calculated on a full-time or full-time equivalent basis, when  
28 the holder is not contractually prohibited from disclosing the  
29 information to the public. This paragraph applies only to those  
30 employees of an independent contractor, company, or consultant  
31 that are personally providing services to the holder, and does not  
32 apply to employees of an independent contractor, company, or  
33 consultant not personally performing services for the holder.

34 (d) The number of net new positions proposed to be created  
35 directly by the holder of a state franchise during the upcoming  
36 year by occupational classifications and by category of full-time,  
37 part-time, temporary, and contract employees.

38 ~~SEC. 64.~~

39 *SEC. 66.* Section 5960 of the Public Utilities Code is amended  
40 to read:

1 5960. (a) For purposes of this section, “census tract” has the  
2 same meaning as used by the United States Census Bureau, and  
3 “household” has the same meaning as specified in Section 5890.

4 (b) Every holder, no later than April 1, 2008, and annually no  
5 later than April 1 thereafter, shall report to the commission on a  
6 census tract basis the following information:

7 (1) Broadband information:

8 (A) The number of households to which the holder makes  
9 broadband available in this state. If the holder does not maintain  
10 this information on a census tract basis in its normal course of  
11 business, the holder may reasonably approximate the number of  
12 households based on information it keeps in the normal course of  
13 business.

14 (B) The number of households that subscribe to broadband that  
15 the holder makes available in this state.

16 (C) Whether the broadband provided by the holder utilizes  
17 wireline-based facilities or another technology.

18 (2) Video information:

19 (A) If the holder is a telephone corporation:

20 (i) The number of households in the holder’s telephone service  
21 area.

22 (ii) The number of households in the holder’s telephone service  
23 area that are offered video service by the holder.

24 (B) If the holder is not a telephone corporation:

25 (i) The number of households in the holder’s video service area.

26 (ii) The number of households in the holder’s video service area  
27 that are offered video service by the holder.

28 (3) Low-income household information:

29 (i) The number of low-income households in the holder’s video  
30 service area.

31 (ii) The number of low-income households in the holder’s video  
32 service area that are offered video service by the holder.

33 (c) *All information submitted to the commission pursuant to*  
34 *this section shall be disclosed to the public only as provided for*  
35 *pursuant to Section 583.*

36 ~~SEC. 65.~~

37 *SEC. 67.* Section 7661 of the Public Utilities Code is amended  
38 to read:

39 7661. (a) The commission shall require every railroad  
40 corporation operating in this state to develop, within 90 days of



1 the effective date of the act adding this section, in consultation  
2 with, and with the approval of, the Office of Emergency Services,  
3 a protocol for rapid communications with the Office of Emergency  
4 Services, the Department of the California Highway Patrol, and  
5 designated county public safety agencies in an endangered area if  
6 there is a runaway train or any other uncontrolled train movement  
7 that threatens public health and safety.

8 (b) A railroad corporation shall promptly notify the Office of  
9 Emergency Services, the Department of the California Highway  
10 Patrol, and designated county public safety agencies, through a  
11 communication to the Warning Center of the Office of Emergency  
12 Services, if there is a runaway train or any other uncontrolled train  
13 movement that threatens public health and safety, in accordance  
14 with the railroad corporation's communications protocol developed  
15 pursuant to subdivision (a).

16 (c) The notification required pursuant to subdivision (b) shall  
17 include the following information, whether or not an accident or  
18 spill occurs:

19 (1) The information required by subdivision (c) of Section 7673.

20 (2) In the event of a runaway train, a train list.

21 (3) In the event of an uncontrolled train movement or  
22 uncontrolled movement of railcars, a track list or other inventory  
23 document if available.

24 *(d) The division of the commission responsible for consumer*  
25 *protection and safety shall investigate any incident that results in*  
26 *a notification required pursuant to subdivision (b).*

27 ~~SEC. 66.~~

28 *SEC. 68.* Section 7711 of the Public Utilities Code is amended  
29 and renumbered to read:

30 916.2. The commission shall annually report to the Legislature,  
31 on or before July 1, on sites on railroad lines in the state it finds  
32 to be hazardous. The report shall include, but not be limited to,  
33 information on all of the following:

34 (a) A list of all railroad derailment accident sites in the state on  
35 which accidents have occurred within at least the previous five  
36 years. The list shall describe the nature and probable causes of the  
37 accidents, if known, and shall indicate whether the accidents  
38 occurred at or near sites that the commission has determined,  
39 pursuant to subdivision (b), pose a local safety hazard.

(b) A list of all railroad sites in the state that the commission determines, pursuant to Section 20106 of Title 49 of the United States Code, pose a local safety hazard. The commission may submit in the annual report the list of railroad sites submitted in the immediate prior year annual report, and may amend or revise that list from the immediate prior year as necessary. Factors that the commission shall consider in determining a local safety hazard may include, but need not be limited to, all of the following:

(1) The severity of grade and curve of track.

(2) The value of special skills of train operators in negotiating the particular segment of railroad line.

(3) The value of special railroad equipment in negotiating the particular segment of railroad line.

(4) The types of commodities transported on or near the particular segment of railroad line.

(5) The hazard posed by the release of the commodity into the environment.

(6) The value of special railroad equipment in the process of safely loading, transporting, storing, or unloading potentially hazardous commodities.

(7) The proximity of railroad activity to human activity or sensitive environmental areas.

(8) A list of the root causes and significant contributing factors of all train accidents or derailments investigated.

(c) In determining which railroad sites pose a local safety hazard pursuant to subdivision (b), the commission shall consider the history of accidents at or near the sites. The commission shall not limit its determination to sites at which accidents have already occurred, but shall identify potentially hazardous sites based on the criteria enumerated in subdivision (b) and all other criteria that the commission determines influence railroad safety. The commission shall also consider whether any local safety hazards at railroad sites have been eliminated or sufficiently remediated to warrant removal of the site from the list required under subdivision (b).

(d) The commission may combine the information required to be reported by this section with the report prepared pursuant to Section 916.

1     ~~SEC. 67.~~

2     *SEC. 69.* Section 7712 of the Public Utilities Code is amended  
3 to read:

4     7712. On or before January 1, 1993, the commission shall adopt  
5 regulations, based on its findings and not inconsistent with federal  
6 law. The commission may amend or revise the regulations as  
7 necessary thereafter, to reduce the potential railroad hazards  
8 identified in Section 916.2. In adopting the regulations, the  
9 commission shall consider at least all of the following:

10    (a) Establishing special railroad equipment standards for trains  
11 operated on railroad sites identified as posing a local safety hazard  
12 pursuant to subdivision (b) of Section 916.2. These standards may  
13 include, but need not be limited to, standards for all of the  
14 following:

15       (1) Sizes, numbers, and configurations of locomotives.

16       (2) Brakes.

17    (b) Establishing special train operating standards for trains  
18 operated over railroad sites identified as posing a local safety  
19 hazard pursuant to subdivision (b) of Section 916.2. These  
20 standards may include, but need not be limited to, standards for  
21 all of the following:

22       (1) Length, weight, and weight distribution of trains.

23       (2) Speeds and accelerations of trains.

24       (3) Hours of allowable travel.

25    (c) Establishing special training, personnel, and performance  
26 standards for operators of trains that travel on railroad sites  
27 identified as posing a local safety hazard pursuant to subdivision  
28 (b) of Section 916.2.

29    (d) Establishing special inspection and reporting standards for  
30 trains operated on railroad sites identified as posing a local safety  
31 hazard pursuant to subdivision (b) of Section 916.2.

32     ~~SEC. 68.~~

33     *SEC. 70.* Section 7912 of the Public Utilities Code is amended  
34 to read:

35     7912. A public utility employing more than 750 total employees  
36 shall annually report to the commission all of the following:

37    (a) The number of customers served in California by the public  
38 utility.

39    (b) The percentage of the public utility's total domestic customer  
40 base that resides in California.

1 (c) The number of California residents employed by the public  
2 utility, calculated on a full-time or full-time equivalent basis.

3 (d) The percentage of the public utility's total domestic  
4 workforce, calculated on a full-time or full-time equivalent basis,  
5 that resides in California.

6 (e) The capital investment in the public utility's tangible and  
7 intangible plant which ordinarily have a service life of more than  
8 one year, including plant used by the company or others in  
9 providing public utility services, in California during the yearly  
10 reporting period.

11 (f) The number of California residents employed by independent  
12 contractors and consultants hired by the public utility, calculated  
13 on a full-time or full-time equivalent basis, when the public utility  
14 has obtained this information upon requesting it from the  
15 independent contractor or consultant, and the public utility is not  
16 contractually prohibited from disclosing the information to the  
17 public. This subdivision is inapplicable to contractors and  
18 consultants that are a public utility subject to the reporting  
19 requirements of this section. This paragraph applies only to those  
20 employees of an independent contractor or consultant that are  
21 personally providing services to the public utility, and does not  
22 apply to employees of an independent contractor or consultant not  
23 personally performing services for the public utility.

24 ~~SEC. 69.~~

25 *SEC. 71.* Section 8283 of the Public Utilities Code is amended  
26 to read:

27 8283. (a) The commission shall require each electrical, gas,  
28 water, wireless telecommunications service provider, and telephone  
29 corporation with gross annual revenues exceeding twenty-five  
30 million dollars (\$25,000,000) and their commission-regulated  
31 subsidiaries and affiliates, to submit annually, a detailed and  
32 verifiable plan for increasing procurement from women, minority,  
33 disabled veteran, and LGBT business enterprises in all categories,  
34 including, but not limited to, renewable energy, wireless  
35 telecommunications, broadband, smart grid, and rail projects.

36 (b) These annual plans shall include short- and long-term goals  
37 and timetables, but not quotas, and shall include methods for  
38 encouraging both prime contractors and grantees to engage women,  
39 minority, disabled veteran, and LGBT business enterprises in  
40 subcontracts in all categories that provide subcontracting

1 opportunities, including, but not limited to, renewable energy,  
2 wireless telecommunications, broadband, smart grid, and rail  
3 projects.

4 (c) The commission shall establish guidelines for all electrical,  
5 gas, water, wireless telecommunications service providers, and  
6 telephone corporations with gross annual revenues exceeding  
7 twenty-five million dollars (\$25,000,000) and their  
8 commission-regulated subsidiaries and affiliates, to be utilized in  
9 establishing programs pursuant to this article.

10 (d) Every electrical, gas, water, wireless telecommunications  
11 service provider, and telephone corporation with gross annual  
12 revenues exceeding twenty-five million dollars (\$25,000,000) shall  
13 furnish an annual report to the commission regarding the  
14 implementation of programs established pursuant to this article in  
15 a form that the commission shall require, and at the time that the  
16 commission shall annually designate. The report shall include the  
17 information about LGBT business enterprises beginning with the  
18 2016 report.

19 (e) (1) The Legislature declares that each electrical, gas, water,  
20 mobile telephony service provider, and telephone corporation that  
21 is not required to submit a plan pursuant to subdivision (a) is  
22 encouraged to voluntarily adopt a plan for increasing women,  
23 minority, disabled veteran, and LGBT business enterprise  
24 procurement in all categories.

25 (2) The Legislature declares that each cable television  
26 corporation and direct broadcast satellite provider is encouraged  
27 to voluntarily adopt a plan for increasing women, minority,  
28 disabled veteran, and LGBT business enterprise procurement and  
29 to voluntarily report activity in this area to the Legislature on an  
30 annual basis.

31 ~~SEC. 70.~~

32 *SEC. 72.* Section 8367 of the Public Utilities Code is amended  
33 and renumbered to read:

34 913.11. By January 1, 2011, and by January 1 of each year  
35 thereafter, the commission shall report to the Governor and the  
36 Legislature on the commission's recommendations for a smart  
37 grid, the plans and deployment of smart grid technologies by the

- 1 state's electrical corporations, and the costs and benefits to
- 2 ratepayers.

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